5/27/81 U4370-2

Credit
Research
Center

MONOGRAPH NO. 21

Consumer Financial Data Sources

1980

Krannert Graduate School of Management – Purdue University

CONSUMER FINANCIAL DATA SOURCES

Richard L. Peterson*

(assisted by Joseph P. Ogden and Richard P. Theroux)

Abstract

Analysts of consumer financial behavior need to be aware of the large variety of information sources that exist on consumer financial behavior. In addition, they need to be aware of some of the major limitations that exist regarding data coverage and availability. This study tries to satisfy those needs by identifying, as comprehensively as possible, the major sources of information on consumer financial behavior. It also briefly notes some of the less-obvious limitations associated with various data sources.

This work categorizes data sources according to whether they are based on (1) consumer survey data, (2) ongoing data obtained from creditors, (3) other ongoing data, or (4) special studies. It then describes the major sources of information available in each category.

Throughout the study, a major emphasis is placed on consumer credit statistics. However, brief citations are also given to sources of information on consumer income, expenditures, and mortgage credit use, as well as on other aspects of consumer financial behavior.

---

*Peterson is Acting Associate Director and Senior Research Scholar and Ogden and Theroux are Research Assistants, Credit Research Center, Krannert Graduate School of Management, Purdue University. This work was supported by the National Science Foundation grants #7618472 and #DAR77-20041. The author wishes to thank Robert W. Johnson and William C. Dunkelberg for helpful input into the preparation of this study. However, any opinions or errors expressed in this document are those of the author, not the National Science Foundation, the Credit Research Center or Purdue University.

Copyright © 1980 by Credit Research Center, Krannert Graduate School of Management, Purdue University, West Lafayette, Indiana 47907.

TABLE OF CONTENTS

I. MAJOR SOURCES OF DATA ON CONSUMER FINANCIAL BEHAVIOR 1

II. CONSUMER SURVEY DATA 3

A. University of Michigan Surveys 3

1. Surveys of Consumer Finances 3
2. 1960-62 SRC Panel Survey 5
3. 1967-70 SRC Debt Panel Survey 5

B. The Federal Reserve 1977 Consumer Credit Survey 6

C. The Federal Reserve Truth-in-Lending Surveys 7

D. Federal Reserve Surveys of Financial Characteristics of Consumers 8

E. The Consumer Expenditures Survey 9

F. The CRC 1979 Consumer Financial Survey 10

G. Other Surveys 11

1. The Day and Brandt Survey 12
2. Benston's Maine Survey 13
3. The NCCF Durkin Texas Study 13
4. The CUNA Financial Fitness Survey 14
5. University of Illinois Survey Research Laboratory 14
6. Additional Survey Research Center Studies 16

III. CREDITOR BASED DATA--ONGOING SOURCES 16

A. Federal Reserve System 16

1. Monthly Consumer Credit Data - The G19 (FR421) Release 17
2. The Monthly Federal Reserve G20 (FR422) Release on Finance Companies 22
3. Federal Reserve Data on Automobile Credit - The E4 (FR114) Release 23
4. Finance Rates and Other Terms on Finance Company Consumer Instalment Credit - The E10 (FR120) Release 24
5. Commercial Bank Loan Rates - The E12 (FR122) Release 25
6. Other Federal Reserve Reports 26

B. Commercial Bank Credit Statistics 26

1. Commercial Bank Call Reports 27
2. The Federal Reserve Functional Cost Analysis Reports 28
3. Regional Federal Reserve Bank Reports 29
4. American Bankers Association Delinquency Reports 30
5. American Bankers Association Instalment Consumer Credit Report 31
6. The ABA Bank Card Letter 31

C. Retail Credit Data 33

D. Finance Company Consumer Credit Data 34

1. The Federal Reserve's Quinquennial Survey of Finance Companies 34
2. The National Consumer Finance Association Survey 37
3. First National Bank of Chicago Reports 38

E. Credit Union Data 39

1. NCUA Annual Reports 39
2. Monthly Statistics of the NCUA 40
3. NCUA Examiners Reports 41
4. "Selected Data" published by the NCUA 42
5. Federal Reserve Data 42
6. CUNA Yearbook Data 43
7. NCUMA Data 44
8. Deficiencies in Credit Union Data 44

F. Other Consumer Credit Data 45

IV. OTHER ONGOING SOURCES OF CONSUMER FINANCIAL DATA 46

A. Bankruptcy Data 46

B. National Income and Expenditure Data 47

C. Flows of Funds 47

V. SPECIAL STUDIES 48

A. The NCCF Study 48

B. Credit Research Center Creditor Studies 51

C. Studies of Creditors' Remedies. 53

1. Consumer Loan Studies 53
2. Creditor Studies 55

D. Second Mortgage Data 56

1. NCFA Second Mortgage Survey 56
2. NSMA-CRC Survey 57

E. Other Mortgage Data 59

F. Retail Credit Studies 60

1. The Touche-Ross Studies 61
2. Consumer Oriented Studies 63

a. New York Retail Credit Card Study 64
b. California Retail Credit Study 64
c. Credit Card Use in Washington 65

3. Retail Credit Account Utilization Study 66

G. Bankcard Data 67

VI. CONCLUDING REMARKS 68

EXHIBITS

1. Federal Reserve G19 (421) Release - Consumer Instalment Credit 70
2. Federal Reserve G20 (422) Release - Finance Companies . . . 72
3. Federal Reserve E4 (114) Release - Automobile Credit 75
4. Federal Reserve E10 (120) Release - Finance Rates and Other Terms on Selected Types of Consumer Instalment Credit Extended by Major Finance Companies 76
5. Federal Reserve E12 (122) Release - Finance Rates on Selected Consumer Instalment Loans by Reporting Commercial Banks 77

CONSUMER FINANCIAL DATA SOURCES

Richard L. Peterson*

(assisted by Joseph P. Ogden and Richard P. Theroux)

I. Major Sources of Data on Consumer Financial Behavior

Many investigators of consumer financial behavior encounter difficulty in locating sources of appropriate data. The purpose of this study is to assist investigators of consumer financial behavior by providing comprehensive information on data relating to consumer credit.

Major sources of data on consumer financial behavior are of three general types. First, surveys of consumers provide much valuable information. Such surveys allow one to correlate the socio-economic characteristics of consumers with their financial debt and asset holdings and their subsequent behavior. Because of the expense of such surveys, most of them are conducted on an ad hoc basis. Important surveys include the ongoing surveys of consumer finances conducted by the University of Michigan; the 1977 Federal Reserve Consumer Credit Survey and the follow-up questions asked on the 1978 surveys conducted by the University of Michigan; the 1970 Federal Reserve Truth-in-Lending Surveys in 1969, and 1970; the 1963 and 1964 Federal Reserve Surveys of Financial Characteristics of Consumers; and the 1979 CRC Consumer Financial Survey. Additional surveys are conducted on an ad hoc basis at various times by various institutions.

A second major source of data on consumer financial behavior is obtained from statistics reported by creditors. The most important

compilation of statistical information of this sort is done by the Federal Reserve System (Fed), which publishes a number of statistical releases on a monthly or quarterly basis. The Federal Reserve statistical releases provide detailed information on consumer borrowings on all types of loans. They also provide data on loan rates, downpayments and maturities applicable to specific types of consumer loans. Because of the special interests of trade groups or other institutions, data applicable specifically to commercial banks, finance companies, credit unions, retailers or other consumer lenders are often compiled by interested parties. These sources of information, as well as Federal Reserve sources, are usually updated on a monthly, quarterly, or annual basis.

The third major source of consumer credit data consists of ongoing sources of data that are not collected from creditors. The most important of these are bankruptcy statistics compiled by the Administrative Office of the U.S. Courts. In addition, the Commerce Department provides quarterly data on consumer income and interest expense. Information on interest expense can be correlated with consumer debt holdings.

Finally, many special studies have been conducted on consumer financial behavior. These include the studies of the National Commission on Consumer Finance, studies of restrictions on creditors' remedies conducted for the Federal Trade Commission, and retail credit studies conducted by a number of individuals. In addition, special studies have been conducted on bankcards, delinquency rates, and other items of interest.

This study is a guide to the major sources and types of information available on consumer financial behavior--particularly on consumer credit use. It lists all the major sources of credit data and briefly describes them, how to obtain them, and what their principal strengths and weaknesses are.

II. Consumer Survey Data

A. University of Michigan Surveys

The Survey Research Center of the University of Michigan has been a major source of information on consumer financial behavior since shortly after World War II. For many years the Federal Reserve Board provided financial support for the Survey Research Center's Surveys of Consumer Finances, which were conducted on annual basis with quarterly updates on key information. Even after the Federal Reserve discontinued its financial support for the Surveys of Consumer Finances, the Survey Research Center continued to conduct those surveys with other sources of financing. Also, the Survey Research Center continued to conduct ad hoc surveys for the Federal Reserve. Principal studies conducted by the Survey Research Center are summarized below.

1. The Surveys of Consumer Finances

The Survey Research Center (SRC) at the University of Michigan conducts annual surveys on various components of family finances such as income, assets, debt, financial transactions, and durable goods stocks. They also obtain information on home and car ownership and purchases as well as on purchases of major household durables. In addition, SRC conducts

quarterly phone surveys that ask consumers a number of questions about their financial situation and attitudes.

These surveys consist of national cross-section samples of dwelling units that represent the total U.S. population. At times the survey is based on spending units and other times it is based on family units. Surveys often have several thousand respondents, depending upon the nature of the study being conducted. Typically, quarterly surveys have smaller numbers of observations and annual surveys, particularly when they focus on some specific supplementary issue, have larger numbers of observations.

An annual publication entitled Survey of Consumer Finances by George Katona and others was published by SRC at the University of Michigan from 1960 to 1970. In earlier years the Survey of Consumer Finances was sometimes published in the Federal Reserve Bulletin. Since 1970, is has not been published as regularly as during the 1960s.

SRC also published a number of special studies that are based on surveys of consumer finances. Their publication list is long and can be obtained by writing the Survey Research Center, Institute for Social Research, The University of Michigan, Ann Arbor, MI 48104.

In addition to publishing Survey Research Studies, SRC also makes data available on magnetic tape. Copies of the tape can be obtained by contacting the Survey Research Center.

2. 1960-62 SRC Panel Survey

Several studies of the Survey Research Center are particularly appropriate for people interested in analyzing the debt and expenditure behavior of consumers. The first of these is the data base used to produce the Survey Research Center's Monograph No. 36, Consumer Behavior of Individual Families Over Two and Three Years, which was published in 1964. That survey interviewed approximately 3,000 spending units in 1960 and reinterviewed approximately one-half of them in 1961 and slightly more than one-third of them in 1962. The panel data were made up of the 1,059 cases where the respondents were interviewed in all three years. These data are useful because they allow changes in consumer behavior to be tracked over time. Thus, both cross-sectional and longitudinal studies can be combined in this type of survey.

3. 1967-70 SRC Debt Panel Survey

The second major study conducted by SRC that may prove of interest to analysts of consumer financial behavior--particularly consumer debt behavior--is the debt panel survey conducted from 1967 and 1970. That survey interviewed 2,500 families in 1967 and attempted to follow their behavior over time with reinterviews annually until 1970, at which time there were approximately 1,500 families left in the sample. This survey is of particular interest because it was focused on consumer durable goods, expenditures, and consumers' use of instalment credit. Data tapes are available on the survey that contain up to 2,000 variables of information on each family in it. The basic findings are reported in a monograph entitled, Consumer Durables and Instalment Debt: A study of American Households, by Gary Hendricks, Kenwood C. Youmans and Janet Keller of

SRC. Data tapes from the survey are still available and a number of dissertations have been written from the data contained therein.

The final set of special studies conducted by SRC that have particular bearing on consumer credit behavior were conducted for the Federal Reserve Board in 1977 and 1978.

B. The Federal Reserve 1977 Consumer Credit Sruvey

This study was conducted by SRC for the Federal Reserve Board (FRB) in 1977. The objective was to determine the impact that various credit regulations had on consumer behavior and to analyze consumer credit behavior in general. The survey was compiled from interviews of 2,500 households. Topics covered in the survey included general consumer socio-economic information, consumer awareness of annual percentage rates, consumer perceptions of differences among financial institutions that extend consumer credit, important credit terms to consumers, and consumer credit shopping behavior. In addition, questions were asked to provide insights on unfair credit practices, the Equal Credit Opportunity Act, credit card billing, and credit insurance. The survey further analyzed consumers' attitudes toward credit and creditors, their mortgage credit holdings, and their holdings of consumer credit for additions and repairs, automobile credit, durable goods credit, personal loans, single payment loans and credit card credit. It also analyzed consumers' holdings of second mortgage credit and the distribution of income and assets among consumers. The survey results are reported in 1977 Consumer Credit Survey by Thomas A. Durkin and Gregory E. Elliehausen, which was published by the Board of Governors of the

Federal Reserve System in December 1978. Tapes containing the survey data can be obtained from the Board of Governors of the Federal Reserve System in Washington, D.C. 20551.

In addition to the initial consumer credit survey, a follow-up phone survey was conducted in August and November of 1978 to see how consumer behavior had changed over time. This information is available from the Survey Research Center at the University of Michigan.

C. Federal Reserve Truth-in-Lending Surveys

These surveys were conducted in 1969 and 1979 to determine consumers' awareness of annual percentage rates and to analyze the extent to which the passage of the Truth-in-Lending Act had increased consumer rate awareness. The phone interviews were conducted by the Chilton Corporation. Each survey interviewed approximately 5,000 households. Basic demographic data were obtained from all individuals in the sample. Data on age, education, sex, martial status, number in the household, income, loan rates, home ownership and credit card ownership status were collected. Consumers were also asked about their outstanding debts, including their mortgage debts, and the sources of the credit that they used. Reports on these surveys have been contained in the Federal Reserve Board's Annual Reports to Congress, and in the National Commission on Consumer Finance, Technical Studies Vol. 1, "Consumer Awareness of Annual Percentage Rates of Charge in Consumer Instalment Credit: Before and After Truth-in-Lending Became Effective," by Robert P. Shay and Milton W. Schober. Additional analyses of the data have been conducted by other investigators,

such as Gregory Boczar in his Working Paper No. 9, "Competition Between Banks and Finance Companies: A Cross Section Study of Personal Loan Debtors," Credit Research Center, Purdue University, 1976.

D. Federal Reserve Board's Survey of Financial Characteristics of Consumers

Because the Federal Reserve Board (Fed) is often called upon to stabilize the nation's economy by regulating financial flows, and frequently is asked specifically to regulate the financial behavior of consumers, it has conducted a number of surveys of consumers over the years. In addition to the surveys that have been previously mentioned, the Fed cooperated with the Commerce Department to conduct an extensive cross-section survey of consumers in 1963, with reinterviews following in 1964. In these surveys, 2,500 consumer units were sampled. Families with higher wealth were oversampled. Consequently, 532 respondents had wealth over $100,000. As a result, this survey is quite valuable for providing information on asset holdings of consumers. It is often used for studies of consumer holdings of municipal bonds, corporate bonds, stocks, and other securities.

The survey was published in two volumes by the Federal Reserve Board. The first was the Survey of Financial Characteristics of Consumers by Dorothy S. Projector and Gertrude S. Weiss published in August 1966. The second was A Survey of Changes in Family Finances by Dorothy S. Projector published in November 1968. The second survey emphasizes information related to the net worth of consumers. Magnetic tapes that contain information collected on the survey are available from the Federal Reserve Baord in Washington, D.C. 20551.

E. The Consumer Expenditures Survey

The Bureau of Labor Statistics of the U.S. Department of Labor conducts large surveys of consumers in order to update the Consumer Price Index. The 1972-73 Survey, which was published in 1978, surveyed over 20,000 sample families. The surveys provide detailed information on the expenditure patterns of consumers. Among other things they include information on vehicle finance charges, all categories of consumer expenditures, a detailed breakdown on housing expenditures, detailed breakdowns on sources of income, calculations of changes in financial assets and liabilities, estimates of the market value of financial assets, and of mortgage principle paid on owned property. This information is summarized by family income, age of family head, and race of family head, as well as by family size. It also is crossclassified for four geographic regions, Northeast, North Central, South, and West. Summary tables are published in the Consumer Expenditure Survey: Interview Survey, 1972-73, Vol. 1 & 2. Additional data are published in the Consumer Expenditure Survey: Integrated Diary and Interview Survey Data 1972-73. In addition, the U.S. Department of Labor publishes standard error tables applicable to both these publications. The raw data used in these publications may be available if individual respondents to the survey cannot be identified. The U.S. Department of Labor, Bureau of Labor Statistics, Washington, D.C. 20212 provides information regarding the availability of the survey data.

The Bureau of Labor Statistics has also conducted a number of previous consumer expenditure surveys. A major survey of consumer expenditures was conducted in 1960-61. There were also expenditure surveys conducted in 1950, 1941-42, 1934-36, 1917-19, and 1901. Some of these earlier surveys were conducted in conjunction with other departments and had different titles.

F. The CRC 1979 Consumer Financial Survey

This survey of 3,572 consumers was conducted for the Credit Research Center (CRC), Purdue University, in 1979 in four local markets in states with widely varying consumer credit regulations. The survey was a modified version of the 1977 Federal Reserve Survey. It included more questions specifically relating to the impact that creditors' remedies were expected to have on consumer behavior and fewer on regulatory details unrelated to rate ceilings and creditors' remedies. It also included questions on the subjective viewpoints of borrowers--particularly viewpoints that would influence their attitudes toward default risk. It gathered comprehensive data on all debts outstanding that were owed by each borrower as well as detailed socio-economic information on each respondent.

The surveyed states were Arkansas, which had restrictive rate ceilings, but where creditors' remedies in the event of default were not highly restricted; Illinois, which had relatively unrestrictive rate ceilings and remedies; Louisiana, which had relatively high rate ceilings coupled with highly restrictive laws regulating creditors' abilities to collect on delinquent or defaulted debts; and Wisconsin, which restricted both creditors' remedies and rate ceilings. Approximately 1,000 house-

holds were interviewed in each of the states, Wisconsin and Illinois, that had the greatest contrast in remedy environments. Approximately, 750 household heads were interviewed in each of the other two states.

At the same time interviews were conducted with the majority of consumer creditors serving each local consumer credit market. These interviews are described in detail in Section V, part B of this report.

The CRC 1979 Consumer Financial Survey is highly useful because it is the only survey of consumers that was conducted simultaneously with a survey of creditors in the same markets. Thus, consumers' attitudes toward regulations and economic events occurring in the markets can be contrasted with creditors' attitudes--and the behavior of both consumers and creditors can be assessed simultaneously. The consumer survey is also useful because it provides a number of novel and highly useful questions designed to elicit consumers' attitudes toward credit risk in addition to data on their attitudes and financial status in general. The subjective attitudes can help explain significant differences in consumer behavior that cannot be explained solely by looking at objective variables.

Both the CRC 1979 Consumer Financial Survey and the related CRC 1979 creditor surveys were funded by the National Science Foundation. Raw data are available from the Credit Research Center, Purdue University, West Lafayette, Indiana 47907.

G. Other Surveys

Additional surveys have been conducted from time to time to address ad hoc problems. Three of these surveys were undertaken in conjunction with the studies of the National Commission on Consumer Finance. Results

of these surveys are published in Technical Studies, Volumes I and II of the National Commission on Consumer Finance, U.S. Government Printing Office, Washington, D.C., 1975 (stock number 5203-00055).

1. The Day and Brandt Study

George S. Day and William D. Brandt published a report entitled "A Study of Consumer Credit Decisions: Implications for Present and Prospective Legislation," in NCCF Technical Study, Volume I, published for the National Commission on Consumer Finance in 1973. That work reports on the credit shopping behavior of consumers.

In total, Brandt and Day sampled 800 California consumers and completed personal interviews with 641 of them during 1970. Respondents were asked detailed questions about their credit shopping behavior. They were asked what type of purchase they felt credit should appropriately be used to finance, when and why they last bought a durable good, what aspects of the transaction were most important to them--including the location of the seller, the availability of credit, etc. In addition, they were asked detailed questions on their socio-economic situation, their awareness of loan rates, and their use of various credit sources.

Subsequently, Brandt (at Columbia University, New York) published work that also used this data. Either he or Day (at Stanford University) may still have access to the micro data collected for this study.

2. Benston's Maine Survey

In this study, titled "An Analysis of Maine's '36-Month Limitation' on Finance Company Small Loans," George Benston analyzed data obtained from 460 people who had formerly been good customers of finance companies but who could no longer borrow from those companies due to changes in Maine law that induced many finance companies to abandon the personal loan credit market in Maine. This survey indicated that a large portion of those who had formerly borrowed from finance companies did not obtain credit after their borrowing relationship was severed. Respondents were analyzed as to their attitudes toward such credit limitations, their occupations, salaries, age, marital status, number of dependents, and their reasons for borrowing. Benston reports on a number of results in his paper. The data base was obtained in November and December 1971 by surveying customers of four major consumer finance companies that were shrinking or discontinuing their Maine operations. They were interviewed over the telephone.

3. The NCCF Durkin Texas Study

This study, which is published in Technical Studies Vol. II of the National Commission on Consumer Finance, is titled "A High Rate Market for Consumer Loans: The Small Small Loan Industry in Texas." It is based on personal interviews of 500 consumers who had borrowed from consumer finance companies in the state of Texas. These people borrowed small amounts of money at the high rates allowed under the Texas small small loan laws. Demographic information was obtained on these people, and they were surveyed regarding the size of loan they borrowed, the

source of credit, other sources of credit they had, and the reasons that they borrowed from each of the various places. They also were asked about their knowledge of consumer loan rates.

4. The CUNA Financial Fitness Survey

This survey was conducted in October and November, 1979. A national interview sample with 1,500 respondents was surveyed by the Gallup Survey Organization. The survey contains detailed information on consumer borrowing and saving patterns and their attitudes toward borrowing and saving. Information collected in the survey can be obtained from the Credit Union National Association, 1617 Sherman Avenue, Madison, Wisconsin 53701.

5. University of Illinois Survey Research Laboratory

Robert Ferber of the Survey Research Laboratory at the University of Illinois, Urbana, Illinois 61801, is one of our country's experts on consumer survey data. In conjunction with Francesco Nicosia from the University of California he conducted a panel study on consumer decisions and asset management. That survey studied 311 couples in Illinois who initially married in 1968 and 409 couples in the Chicago area who initially married in the summer of 1972. These panel members were re'nterviewed numerous times--fourteen times in downstate Illinois and eight times in Chicago--by the spring of 1977. With the exception of one survey for downstate Illinois, all the data were collected by personal interviews. While there was some attrition from the survey over

time, in the spring of 1976 there were still 224 couples in the Peoria/ Decatur sample and 253 in the Chicago sample. The divorced, separated or widowed panel members were followed up separately when a marriage dissolved.

The survey data include data on each couple's economic and financial behavior; their plans and attitudes regarding future expenditure decisions, savings decisions, and financial service use decisions; their personal characteristics--including data on their income, and attitudes, goals and aspirations; and data on their life styles, including data on their fertility plans, use of alcholic beverages, vacation plans, use of leisure time and media preferences and exposure. Among the economic and financial behavior studied were their debt behavior, their money management, their credit card usage, their durable goods purchases, and their durable purchase decisions. Data on their family balance sheet, their savings rate, their insurance, their investments, their ownership and use of savings accounts, their finances and money management and their awareness of price increases were also collected.

The data are being offered at reproduction cost plus shipping. They cost $300 for a single set of data cards or tape for a single wave of panel data. Longitudinal studies of either the first 13 waves of the Peoria/Decatur panel or the first seven waves of the Chicago panel can be provided on computer tape for $350. Additional waves of either panel can be purchased subsequently for $100 per wave. Data can be purchased either from the Survey Research Laboratory at the University of Illinois, 414 David Kinley Hall, Urbana, Illinois 61801

or through Francesco Nicosia from the School of Business Administration, University of California, 350 Barrows Hall, Berkeley, California 94720.

6. Additional Survey Research Center Studies

In addition to the surveys of consumer finances and related studies, the Survey Research Center at the University of Michigan has conducted a number of additional studies that relate to consumer financial behavior. Among the largest and most important of these is one entitled 5000 American Families--Patterns of Economic Progress, a study that began in 1968. It combines data obtained from a cross-section of 3,000 families with a subsample of about 1,900 low-income families. Survey data were obtained for the years 1968-72, 1973-74 and 1975. The study of income dynamics was supervised by James N. Morgan and conducted by the staff of the Survey Research Center.

Information on all the surveys conducted by SRC can be obtained from the Survey Research Center Institute for Social Research, University of Michigan, Ann Arbor, Michigan 48104.

III. Creditor Based Data--Ongoing Sources

A. Federal Reserve System

Because of its responsibilities for regulating the status of the nation's money and credit markets, the Federal Reserve System collects ongoing data related to the function of the nation's consumer credit markets. It is the primary source of such data in our country. Summary data are published by the Board of Governors of the Federal Reserve in its monthly Bulletin as well as in numerous statistical releases that are

produced on a monthly or quarterly basis. In addition, the Federal Reserve provides historical data on consumer credit in its Banking and Monetary Statistics publications, the latest of which applies to 1941-1970. More recent data on Federal Reserve consumer credit series can be obtained through the Mortgage and Consumer Finance Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The Mortgage and Consumer Finance Section updates the major Federal Reserve data series on consumer credit monthly or quarterly and can provide historical information on any data series published by the Federal Reserve.

1. Monthly consumer credit data--the G19 (FR421) release--Exhibit 1

The primary source of Federal Reserve credit information on stocks and flows of consumer credit is the G19 or FR421 monthly statistical release. This release provides current data on the amount of consumer credit outstanding, extended, and liquidated, both in total and by major credit source--including banks, finance companies, credit unions, retailers and other financial institutions. Credit extensions and outstandings are broken down by the type of credit extended--including automobile credit, revolving credit, mobile home credit and other consumer credit. At times, the net change in consumer instalment credit statistic issued in this report has been used as a leading business cycle indicator. Many people still show great interest in this report for that reason.

Because the G19 (FR421) report has been published continuously for many years, it provides the source of most historical data series that are used in consumer credit research. Historical series for any data

published in the G19 (F.R.421) can be obtained from the Mortgage and Consumer Finance Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. That section can also provide historical data on major components of the published series, and on seasonal adjustment factors used in creating the published series, as well as previously published data per se.

While the G19 release provides the main source of the data for consumer credit analysis, it is not without some limitations. The primary limitation is that the data are very heavily tied to commercial bank data. The Federal Reserve uses a large commercial bank sample (nearly 300) to obtain basic information on changes in bank consumer credit in each month. In addition, it obtains information from slightly over 100 finance companies and it uses monthly information provided by the National Credit Union Administration on credit union behavior. The Federal Reserve also incorporates periodic data on consumer lending obtained from other lenders--such as oil and gas companies, mutual savings banks, retailers, and savings and loan associations. Not all of that information is available on a monthly basis, however. For example, through the middle of 1979 the census bureau provided data on consumer lending by retailers. However, the census bureau discontinued monthly collection of the data. Thus, the Federal Reserve must prepare retail credit estimates from changes in retail sales and knowledge of past credit/sales relationships. Those estimates are updated later when the specific retail credit data become available in year-end Census Bureau reports.

Because the Fed gathers extensive data from banks and finance companies, the data for those two categories of lenders can be obtained in detail. In contrast, the Federal Reserve must make estimates, often based on bank behavior, to apply to other lenders' behavior. Thus, the rate of credit extensions and liquidations by commercial banks may be used to estimate the rate of credit extensions and liquidations by mutual savings banks and savings and loan associations in Fed estimates. As a result, overall Federal Reserve credit estimates may more closely reflect the behavior of commercial banks than is apparent on the surface.

The procedure of extrapolating data for other lenders based upon bank behavior is not particularly serious so long as the other lenders hold relatively little consumer credit and behave much like banks in the Fed's bank sample. However, there are some problems with the Fed commercial bank sample, per se. In years past, the sample has been as large as six or seven hundred commercial banks that were both Federal Reserve member and nonmember banks. However, it has been reduced over time to where it now primarily reflects the operations of large Federal Reserve member banks. Paul Smith showed in a 1958 American Economic Review article that the behavior of large banks may be different from the behavior of small banks in regard to consumer lending activities. If this is so, the use of primarily large banks to provide information for the consumer credit survey may lead to periodic mis-estimates the short-run changes that are occurring in the consumer credit markets.

Mis-estimates of monthly data can be corrected frequently, however, if the Federal Reserve benchmarks its statistical series to call report information on commercial bank holdings of consumer credit. This can be

done as frequently as every six months, if desired. However, more realistically, the Fed's objective is to benchmark the data every year. Unfortunately, this schedule often cannot be met.

To the extent that the monthly sample of banks does not reflect the behavior of all banks, greater revisions will be required whenever the consumer credit data series are updated than would otherwise be the case. As a result, the revised data may have different characteristics than the initially issued data on consumer credit behavior.

Another problem with the Federal Reserve's consumer credit data series is that the monthly data make many rough estimates of changes in loan composition. Detailed monthly data on loan composition are available from only a few sources. Thus, the Fed must estimate the amount of retail consumer credit outstanding based on previous periods' credit outstanding and retail sales data. In addition, while the National Credit Union Administration (NCUA) provides good monthly data on the percentage change in consumer instalment credit at credit unions, it does not provide detailed data on the composition of such credit. Consequently, the Federal Reserve has to estimate the proportions of different types of consumer instalment that are held by different credit unions. They do so fairly accurately by using data obtained from samples of loans drawn by NCUA examiners for their examination reports. The examiner's reports, however, refer to examinations that were conducted at some time in the past and, therefore, while they are useful for analyzing the composition of credit unions' portfolios at various times in the past, they are not as useful for identifying the composition of new credit extensions in any given month. Thus, monthly estimates of outstanding types of consumer credit at credit unions are probably

fairly accurate, while the estimates of monthly credit extensions and repayments for any particular type of credit are subject to more uncertainty. Nonetheless, the Fed's credit union estimates are considerably better than those available for thrift institutions, where the Federal Reserve must make estimates of loan composition based solely on past behavior--since, for mutual savings banks, even annual reports currently provide little detail on the type of consumer credit outstanding.

A final problem associated with the basic consumer credit series published by the Federal Reserve is that the Federal Reserve has been reducing the amount of information on consumer credit obtained on the bank call report over time. In particular, the Federal Reserve has combined information on bank credit card credit and bank check credit and revolving credit plans into one category. The two types of credit are somewhat different in their use and behavior, but it is no longer possible to identify these differences. Additional consolidation of the consumer credit series on the call report (by combining other consumer goods credit and personal loans with home improvement credit) make it even more difficult to identify the separate behavior of various types of consumer credit.

Overall, the Federal Reserve does an excellent job of preparing the monthly consumer credit statistics from the available information. These statistics are probably the most reliable available on consumer credit in the United States on an ongoing basis. A major threat to their integrity comes from the fact that important prime data sources--such as the Census Bureau's monthly retail credit survey and the

Federal Reserve's call reports have reduced or eliminated the collection of certain key data on consumer credit. This fact, coupled with attrition in sample sizes and appropriateness, may cause monthly credit data to reflect credit trends less accurately than in the past.

2. The Monthly Federal Reserve G20 (422) release on finance companies - Exhibit 2

The Federal Reserve uses the monthly information it obtains from a sample of about 120 finance companies to compile detailed information on the consumer credit behavior of those companies, as well as on their business credit behavior and key elements of their financing plans. This release is published by the Capital Markets Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. It provides detailed information on finance companies' consumer instalment credit--including their passenger car credit, mobile home credit, personal loan credit, and other retail consumer credit.

Attempts have also been made to provide data on finance companies' second mortgage credit, but these attempts have not been uniformly successful. Some finance companies have not segregated their second mortgage loans from their other personal loans in their reports to the Federal Reserve because they are afraid that the Federal Reserve will count such credit as mortgage credit rather than consumer credit--thereby making it appear that finance companies hold a smaller share of the consumer credit market than in fact they actually service. The Federal Reserve does attempt to obtain data on second mortgage lending

and revolving credit of finance companies in its quinquennial surveys of finance companies, however.

The G20 release provides information on total amounts of credit outstanding extended and repaid each month by finance companies in total. Sample data are blown up to national aggregates based upon the aggregate figures obtained in the Federal Reserve's quinquennial survey of finance companies.

3. Federal Reserve Data on Automobile Credit--E4 (FR114) - Exhibit 3

The Federal Reserve obtains substantial data on automobile credit from the three major auto finance companies who provide detailed information on auto credit rates, loan maturities and loan to value ratios on their new and used cars on a monthly basis. Further, a sample of approximately 100 commercial banks provides quarterly information on average maturities on their auto loans. The Federal Reserve combines this information in its monthly E4(FR114) statistical release on automobile credit.

The data on finance company loan rates, maturities, and loan/value ratios are highly useful because the three auto finance companies that report that information hold almost all the consumer automobile credit held by finance companies. The E.4 release also provides data on the average size of automobile loans and on the maturity of bank auto loans. Such data are not readily available anywhere else.

4. Finance Rates and Other Terms on Finance Company Consumer Instalment Credit E.10 (FR120) Release - Exhibit 4

The Federal Reserve obtains valuable data on loan rates, loan maturities and average loan sizes for finance company personal loans, mobile home credit, and other consumer goods credit on a quarterly basis. That information is published quarterly in the E.10 (FR120) release. It is very useful for tracking the behavior of consumer credit interest rates and loan terms over time.

The data published in the release are obtained from around 30 of the largest consumer finance comapnies in the country. While only a few dozen companies are sampled, because those companies hold a large share of total finance company consumer credit outstanding nationwide, the rates reported here are representative of national consumer loan rates. However, the reported rates do not represent the rates that may be available in any particular state.

State laws differ substantially regarding maximum rate ceilings. Further, rates charged by national companies may not represent rates charged by firms that are not members of national chains. Local finance companies may fill small nitches of the market and serve those markets in a way that deviates from national behavior. For instance, under Texas' small small loan laws, lenders of very small amounts of money may charge extremely high rates on their consumer loans. None of those lenders would be included in the sample. However, their total volume of lending is very small and, thus, their inclusion would have an inconsequential effect on the overall rate of charge reported for the finance industry in general. Consequently, even though the finance company loan rate data published in the Federal Reserve Board's E.10

statistical release do not reflect operations of many finance companies, it may provide reasonably good estimates of average rates charged on finance company loans.

5. Commercial Bank Loan Rates - E12 (FR122) - Exhibit 5

The Federal Reserve formerly collected monthly data on commercial banks' most common loan rates from a large sample of commercial banks. This report was started in 1971 and was modified in 1975, when non-member banks were dropped from the sample. Subsequently the report was changed from a monthly to a quarterly basis. Presently, approximately 230 Federal Reserve member banks report each quarter. They report the most common rate charged on specific types of loans originated during the first week of the reporting month. Rate information is provided for 36-month new auto loans, 84-month mobile home loans, 24-month other consumer goods loans, 12-month personal expenditure loans, and credit card plans.

The major problem with this survey is that it is not representative of all banks, because most of the reporters are large Federal Reserve member banks. A second problem is that many of the loan categories are not presently pertinent. For instance, very few 84-month mobile home loans are now made. Also, 36-month automobile loans are no longer quite as popular as they were when the report was originated. Similarly, personal loans and other consumer goods loans have generally experienced lengthening maturities over time. Thus, a number of reported rates may not be typical of loans most commonly made by commercial banks. Finally, the most common rate concept does not provide a true average rate. Hence, it cannot be said the Fed data measure average rates charged by

commercial banks. Nonetheless, this is the only reliable source of information available on bank loan rates on an ongoing basis. Thus it is a valuable survey even if it does have certain limitations. Also, the individual data on this survey are often useful for analyzing the loan rates charged by banks located in different market areas. However, individual bank data can only be obtained upon special request to the Board of Governors of the Federal Reserve System.

6. Other Federal Reserve Reports

The Federal Reserve publishes the basic statistics provided in its monthly consumer credit releases in various other forms. Each month it includes tables on consumer instalment credit in the Federal Reserve Bulletin and quarterly it includes data on consumer instalment and non-instalment credit flows in its flow-of-funds compilations. Both these reports draw heavily on the previously cited data for use in compiling statistics on consumer behavior and consumer credit use.

B. Commercial Bank Credit Statistics

In addition to Federal Reserve Board surveys, a number of additional reports are regularly compiled on commercial bank consumer credit behavior. These include reports compiled by the Federal Deposit Insurance Corporation, the Federal Reserve Banks, the American Bankers Association, and various bank-related organizations such as VISA and Interbank Card Association.

1. Commercial Bank Call Reports

As part of its supervisory function the Federal Deposit Insurance Corporation obtains detailed reports on the assets, liabilities, and income statements of all insured commercial banks. These are reported on a quarterly basis. However, the most detailed statistics are reported semi-annually--at the end of June and at the end of December.

The Call Reports provide a census of information on commercial bank behavior. Since every insured bank reports, and very few banks are not Federally insured, information can be obtained on bank operations for the nation as a whole, or for various regions, states, local markets, or individual banks.

Six to eight months after the call reports are filed, data on the call report can be obtained upon request to the subscription services of either the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation or the Office of the Comptroller of the Currency. Data are available on tape for a cost of approximately $75.

The information of greatest pertinence to consumer financial markets are reported on the consolidated report of condition of commercial banks under schedule A, the loan schedule. Item six in that schedule provides information on loans to individuals for household, family, and other personal expenditures, and breaks out the composition of those loans according to whether they were made (1) to purchase private passenger cars (2) were originated under check credit, bank card or revolving credit card plans, (3) were used to purchase mobile homes or (4) were used for other consumer purposes. Schedule A also provides data on mortgage lending by commercial banks.

Because of the detailed data that it contains and the comprehensive nature of the call report information, it provides one of the most useful sources of statistics on consumer lending by commercial banks.

2. The Federal Reserve Functional Cost Analysis Reports

Each year the Federal Reserve banks obtain detailed information on operating costs and revenues of nearly 1,000 banks. These reports provide detailed information on the nature and magnitude of costs associated with each of the activities conducted by commercial banks. These costs are broken out separately for large banks, medium size banks, and small banks. They also are segregated according to the numerous functions of the banks, including their demand deposit function, time deposit function, nondeposit funds function, investment function, real estate mortgage lending function, instalment loan function, credit card function, as well as numerous other activities of commercial banks. This information allows one to analyze the profitability of each of the various functions of the commercial banks. It also provides information on the nature and magnitude of costs associated with consumer lending, mortgage lending, and credit card plans.

The reported information suggests that operating costs are very high relative to gross revenues on instalment credit and credit card plans. They are not high with respect to mortgage lending. In addition to operating costs, the study provides information on average operating losses for each of the loan functions over the past five years. By subtracting costs and losses from gross revenues obtainable on each function, one can obtain an estimate of the profitability of each function

before costs of funds. The report also calculates the number of loans per employee and the dollar volume of loans outstanding per employee in each of the lending activities of the commercial banks. Finally it breaks down revenues for each of the lending activities according to finance charge revenues and revenues from fees or other charges, such as merchant discounts on credit card plans. As a result, this information provides the most detailed source of revenue and cost information available on commercial banks' consumer lending operations.

A major limitation of the functional cost analysis is that it is not obtained from a random sample of commercial banks. Data are obtained from voluntarily responding banks, and small banks are underrepresented in the sample. In addition, the allocation of overhead costs may be somewhat arbitrary and thus may affect the calculated profitability of each of the several bank lending functions somewhat erratically. In particular, it is difficult to determine, from the data provided in the functional cost analysis, exactly what costs were included in overhead costs and how they were determined for each applicable function. It is necessary to obtain raw data from the survey, which are not readily available due to their proprietory nature, in order to determine the marginal costs associated with specific loan functions and to analyze the cost functions of the reporting banks in greater detail.

3. Regional Federal Reserve Bank Reports

Based on the information that are collected for the Federal Reserve's consumer instalment series, on Call Reports or from other sources, regional Federal Reserve banks may occasionally provide credit information specific to their own region. This has most commonly been done by the

San Francisco Federal Reserve Bank in the past. In addition, regional Federal Reserve Banks collect the functional cost data, and can provide the annual functional cost analysis reports to banks or other interested parties located in their Federal Reserve Districts. They cannot release sensitive data that are specific to individual firms, however.

4. American Bankers Association Reports--Instalment Credit Reports

The American Bankers Association provides quarterly information on commercial bank instalment loan delinquency rates. These reports are based on a survey of approximately 1,000 commercial banks across the country and are compiled and published in the American Bankers Association quarterly report titled, "Delinquency Rates on Bank Instalment Loans" published by the Instalment Lending division of the American Bankers Association, 1120 Connecticut Avenue, N.W., Washington, D.C. 20036. The report contains information on delinquency rates for ten major types of consumer instalment credit: personal loans, direct automobile credit, indirect automobile credit, home appliance credit, FHA Title I credit, other property improvement credit, mobile home credit, recreational vehicle credit, bank card credit, and other revolving credit. The data are reported separately for each month in the quarter and are reported both for the nation as a whole and, with but few exceptions, for all 50 states. National data are reported on both a seasonally adjusted and nonadjusted basis for each month.

5. American Bankers Association Instalment Consumer Credit Report

Every year the American Bankers Association surveys its members to obtain detailed information on their consumer lending activities. This survey is published as the Retail Bank Credit Report by the American Bankers Association, 1120 Connecticut Avenue, N.W., Washington, D.C. 20036. Approximately 1,000 banks provide survey information each year although considerably more are asked to do so.

The report includes detailed information on the types of loans made, the volume of loans made, loan terms, loan losses, loan costs, and net operating income. It also provides information on auto leasing and participation in bank card plans, including detailed bank card statistics. Information reported is often subdivided according to the size of the reporting bank or the region of the country in which the reporting bank is located.

This survey is particularly useful because it provides detailed information on a number of aspects of bank consumer lending activites that is not otherwise available. The main limitation of the report is that the sample is not representative because of the low response rate. Nonetheless, it provides a very useful supplement to the Call Report data, the Federal Reserve Functional Cost Analysis data, and the Federal Reserve monthly consumer credit data series.

6. The ABA Bank Card Letter

The American Bankers Association publishes a monthly newsletter on bank cards. The information contained in the newsletter is not prime source information. However, it summarizes information available from other sources in a convenient manner. The most useful statistics provided in that bank card newsletter are those obtained from the

quarterly reports of the Master Card and Visa credit card operations. These statistics usually appear in the middle of each quarter. More detailed statistics for both the Interbank Card Association and Visa International can be obtained from each of these associations. However, those statistics are not necessarily readily available to nonmember organizations. Thus, the ABA letter provides a useful function in making the statistics for both associations readily available while simultaneously providing key statistics for both associations in a comparable form.

Information provided for each bank card system indicates the amount of card credit outstanding, the amount of new credit extensions originated both by retail sales and by cash advances, and the average size of both retail charge purchases and cash advances. In addition, the report provides information on the number of card holders that hold each card, the total number of accounts outstanding for each card, the total number of active accounts outstanding for each card, and the number of merchant outlets and financial institutions that honor each card. Finally, the ABA report provides information on average balances outstanding on each credit card account, the percentage of accounts with outstanding balances, credit delinquencies of various maturities, and net and gross charge-offs on credit card credit. Separate data are reported for domestic and foreign cardholders.

Some of the information not provided that are available on the Visa International and Interbank Card Association reports include information on the percentage of credit accounts that are paid back in full each month, certain regional information on credit card usage

and volumes, and use of remote terminals or other items of particular interest to one or the other of the card associations. Presumably, this information is not reported because it is not reported uniformly, if at all, by both card associations on a regular basis.

C. Retail Credit Data

There is a paucity of data on retail consumer instalment credit. The Federal Reserve publishes monthly estimates of retail instalment credit in its G19 report. Formerly, the Census Bureau published monthly estimates of retail credit receivables which it obtained when it made its monthly retail trade estimates. Now, however, the Census Bureau intends to obtain retail credit data only in its annual retail trade survey. This will sharply limit the availability of retail credit data. Consequently, the Federal Reserve must make its monthly retail credit estimates based on past historical relationships between retail credit and retail sales and present changes in retail sales levels for specific types of retail outlets.

Information on retail credit delinquencies is presently nonexistent, in part because retailers calculate their delinquency rates in widely varying ways. The Federal Reserve attempted to collect information on retail credit delinquencies, as well as ratios of retail credit extension to sales, from a limited number of major retailers for several years. However, this project was discontinued and no generally available data were published.

The Federal Reserve still obtains limited information on consumer credit held by oil and gas companies. However, this information is obtained rather infrequently and not all oil and gas companies report.

Nonetheless, annual reports by such companies provide more current information on retail credit behavior than is available elsewhere, now that the Census Bureau is no longer compiling monthly statistics on retail credit.

D. Finance Company Consumer Credit Data

It was previously noted that monthly estimates of finance company consumer credit are published in the G19 and G20 releases by the Federal Reserve Board. The Federal Reserve also publishes considerable data on finance companies in its quarterly E12 and E4 releases--which provide information on key loan rates and credit terms. These releases are all discussed in detail under the appropriate heading for Federal Reserve credit statistics. However, additional information is also available on finance companies. This information includes the Federal Reserve's quinquennial survey of finance companies, data compiled by the National Consumer Finance Association in its annual surveys, and data compiled by the First National Bank of Chicago on operating statistics of consumer and sales finance companies.

1. The Federal Reserve's Quinquennial Survey of Finance Companies

Every five years the Federal Reserve conducts an extensive survey of finance companies. Through 1975 an attempt was made to make this survey a census of finance companies. Thus, reports were obtained from 3,000 to 4,000 finance companies each time the survey was conducted. Companies reported on numerous aspects of their consumer lending and financial position. The survey provides the basis from which the Fed's monthly surveys of finance companies carry forward estimates of finance company consumer credit outstanding.

The quinquennial survey gathers detailed data on the major types of consumer loans made by the finance companies in addition to information on types of loans that may become important in the future--such as second mortgage loans and revolving credit. It also gathers data on leasing, wholesale financing, short term business credit, intermediate term business credit, loans secured by real estate, and other accounts and notes receivable. Data on wholesale financing and on the amount of unearned income and loan loss allowances included in finance company assets are also obtained. On the liability side of the balance sheet, the quinquennial survey obtains information on capital, surplus, and undivided profits; short term debt; long term debt; bank loans of both short and long maturities; and both direct and dealer placed commercial paper issued by finance companies.

This information is compiled by the Capital Markets Section of the Division of Research and Statistics of the Federal Reserve Board, Washington, D.C. 20551. Usually an article is published in the Federal Reserve Bulletin that summarizes the results of this survey. Detailed data, if available, are obtainable from the Capital Markets Section of the Federal Reserve--which also can provide information on the methodology used in compiling the report and can provide supplementary tables, if any, compiled in associated with the quinquennial report.

Limitations on the quinquennial survey are the following. First, when an attempt was made to obtain a census of finance companies, it was not completely successful. This was true because not all finance companies completed the report and some could not be located, had changed their names, or otherwise did not respond to the request for

information. Hence, the reported data may be somewhat less comprehensive than might initially appear to be the case. However, the vast majority of the finance company outstanding credit is held by the largest finance companies in the country--and they report very conscientiously on this survey. Thus, for all practical purposes, the survey provides a thorough census of outstanding credit held by finance companies even if it provides a less adequate census of the number of finance companies in operation.

Because of the cost and problems associated with attempting to obtain a census of finance companies, the Federal Reserve changed the quinquennial survey to a two-stage process. In 1980, an attempt was first made to identify finance companies that were still in operation in each state. Second, detailed questionnaires were sent only to samples of the located finance companies in order to provide detailed information on the behavior of each. Sample information will be obtained in detail from 500 to 1,000 finance companies and then used to estimate the total volume of finance company credit outstanding. Since most of the largest finance companies are included in the data collection process, it is likely that this procedure will still provide good estimates of the amounts of various assets and liabilities held by consumer finance companies.

The monthly data compiled by the Federal Reserve on the G20 release are benchmarked to the data obtained in the quinquennial survey of finance companies. Thus, it is important that this information be accurately obtained. Once the benchmark data are obtained, the monthly data are carried forward using the sample of approximately 120 finance companies.

That sample disproportionally samples the largest finance companies. Consequently, good information is obtained from the behavior of the largest finance companies that hold the largest volume of consumer credit held by finance companies. However, only two percent (69) of the over 3,000 companies that hold less than $100 million in total receivables report on the monthly survey of the Federal Reserve. Thus, between benchmark periods, since small finance companies frequently merge or go out of business, the Federal Reserve may not be able to maintain the accuracy of data for small finance companies very well. Nonetheless, large companies hold the predominant share of finance company credit outstanding.

2. The National Consumer Finance Association Survey

Each year the National Consumer Finance Association (NCFA) surveys its members to determine the extent to which they are participating in the consumer credit markets, the types of consumer credit they hold, and the experiences they have had with such credit. The survey reports on finance company holdings of retail automobile paper, mobile home credit, personal loans, and other consumer receivables. It breaks down information on personal loans to differentiate between personal loans secured by second mortgages and other personal loans. In addition, the NCFA report provides data on revolving consumer instalment credit, and gives details on the liabilities issued by both consumer and sales finance companies. Further, it compiles data on the operating costs of consumer and sales finance companies and their net income both before and after taxes. The report also tabulates finance companies' costs of borrowing, according to the size of finance company, as well as the rate of return on equity that is earned by various sizes of finance companies.

The average size of various types of personal loans made and outstanding is reported for personal loans, new automobile, used automobile, household appliance and equipment, and mobile home loans. In addition, loan delinquency statistics are reported in considerable detail, as are charge-offs for various types of consumer credit. Finally, the NCFA survey reports on the nature of finance company borrowers, including the monthly income of borrowers, the percentage of loans made to new, former, or present borrowers, and the percentage of loans made to borrowers with different occupations and different ages.

In summary, this report provides detailed information on the operating behavior of major consumer finance companies in the United States that is not otherwise available. Usually less than 200 finance companies respond to the survey, and reporting companies may change from year to year. Thus, even though they include most of the largest finance companies in the nation, the sample of finance companies upon which the report is based cannot be viewed as being a random sample whose behavior is representative of all finance companies.

NCFA research reports are available from the National Consumer Finance Association, 1000 Sixteenth Street N.W., Washington, D.C. 20036.

3. First National Bank of Chicago reports

Twice each year the First National Bank of Chicago provides the operating ratios of a sample of consumer finance companies and sales finance companies. These surveys are useful because they provide separate information on the revenues, operating costs, and profits of consumer and sales finance companies. In addition, they present uniform data

on delinquency rates that show the incidence with which loans are 60-90 days, 90-180 days, and 180 days or more past due. Also included is information on partial payment loans and interest-only loans held by finance companies.

E. Credit Union Data

The primary source of data on credit union behavior is the National Credit Union Administration (NCUA). However, the Credit Union National Association (CUNA) also obtains much useful information on the consumer lending operations of credit unions. Further, the Federal Reserve System frequently uses the data compiled by the National Credit Union Administration to estimate both the compositon of consumer credit held by credit unions and monthly changes in stocks of such credit.

1. NCUA Annual Reports

The National Credit Union Administration publishes an annual report containing information on Federal credit unions and Federally insured state-chartered credit unions operating in each region and state.

The NCUA reports show the numbers of Federal and state chartered credit unions and present selected information from the balance sheets of the reporting credit unions. Of particular interest are data on revenues earned on loans, loan delinquencies, loan losses and recoveries, the total volume of loans made to consumers, and various credit union operating expenses. Also of interest is information on the composition of liabilities, by the size of accounts outstanding as well as by the type of liability.

Based on information it collects, the NCUA publishes detailed summary tables containing data for both Federally and state chartered, Federally-insured credit unions. In some cases, the same depth of information is not available for state-chartered credit unions that are not Federally insured; the NCUA can only obtain data second-hand (from appropriate state administrators) for such credit unions.

The NCUA annual reports can be obtained by writing the National Credit Union Administration, Washington, D.C. 20456. Single copies of each report are free. In addition, data on about 16,000 individual (Federally chartered or insured) credit unions used to compile the reports can be obtained on tape for a charge of approximately $75 per reporting period. The tapes are compiled in the same format from 1975, and are also available back to 1956.

In addition to reports on Federally insured credit unions compiled by NCUA, data on nonfederally insured state-chartered credit unions are available from state regulatory authorities. However, not all authorities compile detailed reports. Thus, the NCUA provides the most complete set of information available in a standard format on credit union operations.

2. Monthly statistics of the NCUA

The National Credit Union Administration also compiles data from monthly reports filed by 800 to 1,000 credit unions that hold about 30 percent of total credit union assets. These credit unions provide monthly data on the amount of loans and assets outstanding, loan repayments and originations, delinquency rates, and inflows and outflows from

savings deposits. The monthly NCUA reports based on these data provide information on repayment ratios, loan-to-share ratios, and liquid asset ratios.

The Federal Reserve uses the information compiled by the NCUA to make estimates of the change in credit union loans outstanding during the month and also to estimate repayments and extensions on such loans. It then uses historical data obtained from credit union examination reports to estimate the detailed composition of credit union loan portfolios and loan flows. Once these adjustments are made, the Fed publishes estimates of monthly extensions, liquidations, and stocks of consumer loans--both in total and by type of consumer loan, including automobile, mobile home, and "other" loans.

3. NCUA Examiner Reports

Once or twice a year National Credit Union Administration Examiners visit Federally chartered or insured credit unions and examine them for soundness. Among other things, on these visits examiners take a sample of credit union loans and examine each loan. In this process they compile detailed information on each loan including the type of loan, amount of loan, and information on the borrower. This information has been compiled on tape and passed to the Federal Reserve Board, which uses it to make estimates of the composition of consumer loans held by credit unions.

A significant limitation on these data is that they are not collected at one point in time, since the examination process continues throughout the year. Further, they are proprietory, and thus might not be available to most researchers for microeconomic analysis. However, the data probably

could be obtained for analysis if all reference to the lending institution and any identifying characteristics of borrowers were deleted. Nonetheless, the timing problem could still limit the usefulness of these data.

Because other information on the type of credit union loans is very limited, this data set is potentially very useful. Consequently, the Fed has used it to implement its estimates of auto, mobile home, and other loans made by credit unions and to make estimates of credit union second mortgage lending. Further, this data base provides information on the nature of credit union borrowers for different types of loans as well as the nature of credit union borrowers that went delinquent on different types of loans. Thus, it could be a highly valuable data set if it were generally available.

4. "Selected Data" published by the NCUA

The NCUA historically has collected detailed information on the loan activities of a limited number of Federal credit unions--less than 50. Monthly data are provided on loan refinancings, originations, maturities, interest rates, purpose,and security by type of loan. Because the sample is unrepresentative, it is difficult to generalize this information to the nation as a whole. However, it provides useful insights that could not otherwise be obtained into the composition of credit union lending.

5. Federal Reserve Data

Federal Reserve data on credit unions are provided in the G-19 Release on a monthly basis. Those data are calculated from the monthly statistics compiled by the NCUA coupled with an analysis of historical

data compiled by NCUA examiners. The Federal Reserve also has the capacity to make special studies of the composition of credit union lending by type of loan and type of borrower in some detail. Such analyses would be based on the NCUA examiners reports. However, these studies are not ordinarily published.

6. CUNA Yearbook Data

The Credit Union National Association (CUNA) is the largest trade association for credit unions. It annually sends a survey to all credit unions that belong to it and obtains a response that may range as high as 85 percent. This information is published in the CUNA Yearbook. The CUNA Yearbook data reflect differing numbers of responses each year--with the number varying from 3500 responses in 1976 to over 20,000 responses in other years. All information obtained in these surveys are compiled on tapes which are available from the Credit Union National Association, Inc., 5710 Mineral Point Road, Box 431, Madison, Wisconsin, 53701.

The data usually include information on assets, savings, loans outstanding, and numbers of real estate loans outstanding. Some questions vary from year to year, depending on specific interests of CUNA. They relate to such topics as mortgage lending, open-end lending, share insurance, borrowing sources, interest rates paid, payroll deduction use, advertising, income of credit union family members, and numerous other items. The differing set of questions may account for some of the variance in response rates. Detailed information on loan rates and credit union policies provided in the CUNA survey potentially can be used

in conjuction with NCUA annual report data to provide useful insights into the operating characteristics of credit unions.

7. NCUMA Data

The National Credit Union Management Association (NCUMA) often compiles useful information on credit unions' costs and operating statistics. The NCUMA provides a statistical report for 1,000 to 1,400 of the largest credit unions every year that provides insights into operating costs and revenues. Most of the raw data are also available on the NCUA tapes compiled from credit unions annual reports. The National Credit Union Management Association can be reached at 1611 Williamson Building, 215 Euclid Avenue, Cleveland, Ohio 44114.

8. Deficiencies in Credit Union Data

The primary deficiency in credit union data is that much information is not available for all credit unions. Detailed statistics are available for Federally chartered credit unions and for Federally insured state-chartered credit unions from NCUA. In addition, information on state-chartered credit unions is available from various state insurance or regulatory authorities. However, uniform data are not available for all types of data and credit unions.

A second deficiency is that only limited information is available on the composition of credit union loans. Thus, the composition of credit union loans has to be estimated from examination data, which are not gathered at the same point in time.

F. Other Consumer Credit Data

Only limited data are available on the types and amounts of consumer credit that other thrift institutions supply. The Federal Deposit Insurance Corporation provides detailed information on the assets and liabilities of commercial and mutual savings banks in its compilations of call report data filed by commercial and mutual savings banks. However, data collected for insured mutual savings banks are far less detailed than those collected for commercial banks. The only consumer loan data reported on the semi-annual call reports are data on mutual savings bank holdings of single payment (savings secured) loans, home improvement loans, and other consumer instalment loans. On an annual basis the National Association of Mutual Savings Banks, 200 Park Avenue, New York, New York, 10166, publishes its National Factbook of Mutual Savings Banks. That publication contains details on mutual savings bank holdings of guaranteed education loans, home improvement loans, other consumer instalment loans, and passbook loans both for the nation as a whole and for ten individual states. However, very little information is available on consumer lending by mutual savings banks other than in these reports.

Because current data on consumer lending by mutual savings banks are so limited, the Fed estimates the detailed composition of consumer lending by mutual savings banks from historical surveys of loan composition. In addition, Federal Reserve estimates of monthly changes in consumer lending by mutual savings banks have to be made by drawing analogies with commercial bank behavior. Fortunately, since mutual savings banks hold very little consumer credit outstanding, errors in estimates are small relative to total consumer credit statistics.

Available data on savings and loan associations (S&Ls) are more adequate. The Federal Home Loan Bank Board publishes annually the Combined Financial Statements of Savings and Loan Associations which summarizes holdings of various assets for all reporting Federally insured and Federally chartered savings and loan associations. Among the assets reported are total "other loans" made, with separate subcategories for loans secured by savings, home improvement loans, mobile home loans, educational loans, and other loans. Thus, detailed data are available on the composition of consumer lending by savings and loans on an annual basis. In addition, the Federal Home Loan Bank Board, in its monthly Federal Home Loan Bank Board Journal reports on the total amount of other loans outstanding at savings and loan associations. This information is used to update Federal Reserve Statistics on total consumer lending by savings associations.

The Federal Reserve uses data obtained from the major travel and entertainment card companies and from the major oil and gas companies on an annual basis to estimate outstanding consumer credit held by these sources. Because of their proprietory nature, the raw data are not available from the Federal Reserve. However, total estimates of oil and gas, and travel and entertainment card credit can be obtained from the Federal Reserve Board's Division of Research and Statistics, Mortgage and Consumer Finance Section.

IV. Other Ongoing Sources of Consumer Financial Data

A. Bankruptcy Data

Additional data on the financial status of consumers are available from a number of sources. The administrative office of the U.S. courts provides information on the number of bankruptcy filings in each Federal court district in each state on a quarterly basis. Bankruptcy data are

useful for analyzing the effect of various state laws and Federal laws on consumers' payment performance. They also are useful for relating changes in economic activity to consumers' abilities to meet their debt obligations. An important change in the bankruptcy series occured in October 1979 when the new Federal Bankruptcy Act took effect. Under that Act, husbands and wives can file a single joint application for bankruptcy. Previously, bankruptcies petitions had to be filed separately by husbands and wives. As a result there is a break in the bankruptcy data in October 1979. Data collected after that date must be adjusted by allowing for the number of joint personal bankruptcy petitions filed in lieu of two separate petitions.

B. National Income and Expenditure Data

The Commerce Department publishes current national income statistics on a quarterly basis. Those statistics report not only on consumer income and disposable income, but also on certain key obligations, particularly interest expense obligations. In addition, the Commerce Department keeps track of consumer expenditures on durable goods, and on the existing stock of durable goods outstanding. All this information is frequently used in models of consumer expenditures that relate key components of expenditures to income flows and stocks of consumer assets and liabilities.

C. Flows of Funds

The Flow of Funds accounts produced by the Federal Reserve Board describe flows of funds from the household sector to and from other sectors of the economy. Included in these flows of funds are net flows

of funds for mortgage debt originations and consumer credit originations. The flow of funds accounts also monitor changes in consumer savings of various types--including both financial savings and gross savings, where gross savings are defined to include net additions to stocks of durable goods. In making gross savings calculations, the flow of funds accounts take into account the amount of depreciation on existing stocks of durable goods. Thus, flow of funds accounts use information on expenditures, stocks and depreciation on durable goods--obtained initially from the Commerce Department--in making financial flow estimates. Finally, the flow of funds accounts include substantial information on changes in consumer asset holdings of various types and forms. Detailed data used to construct the flow of funds accounts can be obtained from the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C., 20551.

V. Special Studies

A. The NCCF Study

Numerous special studies have been conducted on the functioning of the consumer financial markets. Among the most important are the studies conducted by the National Commission on Consumer Finance. The NCCF studies were undertaken in recognition of the fact that a number of laws and regulations affect the consumer financial markets at the state level. If any regulations were to be made applicable to the consumer financial markets at a national level, it was first desirable to analyze the impact of state regulations on those markets.

Because of the NCCF emphasis on the impact of different state laws on the consumer financial markets, the NCCF study attempted to obtain data applicable to consumer credit markets in each state. It is the most comprehensive source of such data ever collected.

The description of the data collected by the National Commission on Consumer Finance is contained in Technical Study Vol. III of the National Commission on Consumer Finance. Authored by Milton W. Schober and Robert P. Shay, the study is titled "State and Regional Estimates of the Price and Volume of the Major Types of Consumer Instalment Credit in Mid-1971." It contains summary information by state on the amounts of credit extended and outstanding by form of credit and by type of creditor. It also contains data on loan rates, rate ceilings, and concentration ratios applicable to various forms of consumer credit in each state.

Data are reported for the following forms of credit: new and used automobile credit, mobile home credit, other consumer goods credit, home repair and modernization credit, personal loan credit, revolving credit plans, and boat, aircraft and recreational vehicle credit. Loan rates were obtained for all those forms of credit with the exception of used automobile credit and boat, aircraft and recreational vehicle credit. The average loan sizes and mean amounts of credit outstanding and extended per capita in each state were calculated for each type of credit. Data on loan extensions and loan amounts were also compiled for the following types of financial institutions: commercial banks, mutual savings banks, finance companies, credit unions and retailers.

The Census Bureau collected data for the NCCF study from a sample of 2,280 commercial banks, 490 mutual savings banks, 1,803 finance companies, 1,981 credit unions and 937 retailers. Information was collected

on credit outstandings as of June 30, 1971 and on credit extensions for the second quarter of 1971. Individual reports filed by each type of creditor surveyed were combined to obtain summary statistics for each state, except where publication would jeopardize the privacy of data reported by individual companies. Consequently, when an inadequate number of respondents reported data in a state, the Census Bureau did not release information on that subject for that state.

Because of the necessity for keeping data confidential, the Census Bureau has destroyed all of the raw data collected for the NCCF. The aggregate data are available in several places, however. First, the aggregate data are published in NCCF Technical Study, Vol. III by Schober and Shay. Second, researchers that worked on the NCCF project have access to various amounts of aggregate data. These include Robert Shay, Douglas Greer, and Robert W. Johnson.

NCCF data are available on computer tape at the Credit Research Center at Purdue University. The available data include data on the different types of consumer credit held by each of the various types of institutions surveyed. Data on credit outstanding and extended for each type of credit and each type of institution in each state are included. In addition, for each type of credit extended or outstanding, information is available on the number of contracts in each state, the dollar amount of contracts in the state, the number of contracts per capita, the dollar amount of contracts per capita, and the average size contract of each loan. The major deficiencies in this data base are lack of data on loan rates and loan rate ceilings. Another deficiency which is common with much of the data, in part because of Census disclosure limitations,

is that not all the information is available for each state. There are a number of blank records in the data file.

A second data file was compiled by Douglas Greer. He used it to conduct empirical research for several articles that he published in The Journal of Finance in 1974 and 1975. This data file supplements the basic NCCF data base with data on population, income, assets, interest rates, rate ceilings, the inverse of rate ceilings, time deposit rates, credit rejection rates, delinquency rates, and credit concentration ratios. This is a highly useful data base except for one thing--the data are not available on every topic for every state. The Credit Research Center of Purdue University, West Lafayette, Indiana, 47907 has a card copy of the Greer data base, but it is not complete. Possibly a more complete copy could be obtained from Professor Greer at San Jose State University, San Jose, California. Alternatively, data published in Technical Study, Vol. III on loan rates and rate ceilings could be used to supplement the Johnson data on credit extensions, outstandings and other volume indices.

B. Credit Research Center Creditor Studies

In 1979, the Credit Research Center, Purdue University, commissioned extensive surveys of creditors operating in four local credit markets. This was part of a project supported by the National Science Foundation designed to determine the impact of differing state regulaitons on rate ceilings and creditors' remedies on both consumers and creditors. The consumer surveys have been previously described. The creditor surveys covered all commercial banks, savings and loan associations, and approximately half of the finance companies and credit unions operating in each local market. In addition, a sample of retailers

that held their own consuemr credit were surveyed in each market. Further, all three of the major auto finance companies were questioned regarding their policies in each market.

The markets surveyed were located in states with different combinations of rate ceiling restrictions and creditor remedy restrictions. In Arkansas, which has restrictive rate ceilings and nonrestrictive creditors' remedies, the Little Rock/North Little Rock metropolitan area was surveyed. In Wisconsin, where both rate ceilings and creditors' remedies are moderately or highly restrictive, the Racine/Kenosha area was chosen as the local market to be studied. In Illinois, where neither rate ceilings nor creditors' remedies are highly restrictive on a broad front, the Waukegan/North Chicago area was the local market studied--primarily because it was in close proximity to and matched the characteristics of the Racine/Kenosha area to a high degree. Finally, in Louisiana, which has very high rate ceilings coupled with very restrictive creditors' remedies, the market selected was Lake Charles. Simultaneously, surveys were conducted of both creditors and consumers in each local market. The surveys were conducted in early 1979.

Detailed explanations of the survey methodology, sampling procedures and responses to each survey are contained in a series of monographs published by the Credit Research Center, Purdue University: Monograph No. 15 (credit unions), which provides summaries of responses given by the 60 credit unions surveyed; Monograph No. 16 (savings and loan associations) which provides summaries of responses given by all 21 savings and loan associations operating in the four local markets; Monograph No. 17 (commercial banks) which provides summaries of the responses given by all 31 commercial banks surveyed--which accounted for over 90 percent

of the commercial banks located in the four markets surveyed; Monograph No. 18 (consumer finance companies) which presents a summary of survey responses given by the 45 finance companies in the survey; Monograph No. 19, which presents a summary of responses given by the 20 retail respondents; and Monograph No. 20, which provides a summary of responses given by the three major auto finance companies.

Each institution was asked a number of questions regarding its consumer loan policies, including its policies with respect to rates charged, loan maturities, insurance charges and coverage, loan rejection ratios, delinquency rates, balance sheet characteristics, nonrate fees and charges, competitive posture, and competitive environment. Institutions were also asked about depository institution functions relating to consumer lending activities. In addition, the institutions were asked about the extent to which they purchased consumer credit paper from retailers, and the terms they assessed on such paper. Finally, creditors were asked about the procedures they used to collect on delinquent or defaulted debts and about their attitudes towards a number of remedies that could be used to collect on delinquent or defaulted debts.

Data are available on tape from the Credit Research Center, Purdue University, West Lafayette, Indiana, 47907. Descriptions of each survey, along with the tabulation of responses to each question asked in the surveys are contained in the appropriate Monographs.

C. Creditor Remedies Studies

1. Consumer Loan Studies

A number of studies were conducted for the Federal Trade Commission in conjunction with its proposed Trade Regulation Rule on credit practices. One of these studies was commissioned by the FTC's Bureau of Consumer

Protection. It was conducted by James Barth and Anthony Yezer of George Washington University. Preliminary results of that study were published in a research report of the Bureau of Social Science Research at George Washington University on March 31, 1977. The report was filed with the Federal Trade Commission in conjunction with its hearings on the proposed Trade Regulation Rule on credit practices conducted in late 1977 and early 1978. There were several revised versions of the Barth and Yezer report submitted in the FTC's Hearing Record. They are hearing exhibits HX505, HX506, and R-X-III-39.

The initial Barth and Yezer studies were based upon data collected by the FTC's Bureau of Consumer Protection. Those data were obtained from offices of 13 finance companies operating in 26 different states. Six thousand personal loan records were sampled. Because of missing data, however, in their statistical analysis Barth and Yezer used data from only 1,000 loans obtained from 17 finance companies located in 18 states.

The Barth and Yezer studies were criticized because of the nonrandom way in which their data had been collected and processed. Consequently, they conducted a similar analysis on data collected by Ernst and Ernst for the National Consumer Finance Association (NCFA). Those data were used in an analysis presented in testimony at the FTC Hearings by Robert P. Shay (HX494) and were used by both Barth and Yezer and Shay in their rebuttal submissions prepared for the FTC hearings: (at R-X-III-32 and R-X-III-39). In their rebuttal submission, Barth and Yezer analyzed a sample of 1,500 loan contracts drawn from the NCFA data base. In later work, they have used all 6,692 observations for which comprehensive data were available. In total, the NCFA data base consists of a sample

of 13,588 personal loan and sales finance accounts obtained between January 1975 and August 1977 in a random national sample of loans made by nine of the largest consumer finance companies.

The FTC personal loan data may be obtained, if not deemed proprietory, through the FTC's Bureau of Consumer Protection, Washington, D.C. The NCFA data possibly could be obtained from Professor Robert Shay at Columbia University, New York; Professor Anthony Yezer, George Washington University, Washington, D.C, or the National Consumer Finance Association, Washington, D.C., provided that those entities were willing to make them available for use on specific research projects.

2. Creditor Studies

The Credit Research Center at Purdue University was commissioned by the Federal Trade Commissions' Office of Policy Analysis to prepare research relevant to the FTC's proposed Trade Regulation Rule. The studies undertaken by the Credit Research Center attempted to assess the effect of restrictions on creditors' remedies upon consumer loan markets. They primarily were based upon studies of consumer lending in Wisconsin subsequent to enactment of the Wisconsin Consumer Act (WCA) in 1973--as the WCA paralleled the FTC's proposed regulations in many respects. These studies were undertaken in the fall of 1975. Each lending institution in Wisconsin was sent a questionnaire with a self-addressed envelope indicating that it should be returned to the Credit Research Center. Respondents were asked about their institution's current lending policies, and any changes in lending policies that had occurred in recent years. Responses to the questionnaire were received from all automobile finance companies and the majority of consumer finance companies that

operated in Wisconsin, 106 credit unions, and 186 commercial banks. Analyses of these data are contained in Working Papers' No. 12, 13, and 20 of the Credit Research Center. The working papers refer, respectively, to auto finance companies, consumer finance companies, and commercial banks. Credit union data were not tabulated because there are over 600 credit unions chartered in Wisconsin; thus, the response rate was inadequate to provide useful information.

Complete information on the surveys is reported in the previously cited working papers. In addition, the Credit Research Center has data available on tape for commercial bank and credit union survey respondents. Data were not compiled on tape for finance companies because of their limited numbers.

Overall, these studies provided useful insights into the nature of events that may cause lenders to alter their consumer loan policies. They also reveal trends in consumer loan delinquencies, loss rates, loan policies, and issuance of loans to new versus former borrowers for a large number of institutions located in a single state.

D. Second Mortgage Data

In recent years the most rapidly growing segment of the consumer credit market has been the second mortgage credit market. In part, because of its recent rapid growth, there are only two sources of information currently available on that market.

1. The NCFA Second Mortgage Survey

The National Consumer Finance Association annually surveys the largest finance companies in the country regarding their participation in the second mortgage credit market. The results of the 1979 survey

of 92 finance companies, titled "Second Mortgage Lending by Finance Companies in 1979," was published by the National Consumer Finance Association, 1000 16th Street N.W., Washington, D.C. 20036.

The NCFA report provides data on the amount of second mortgage loans outstanding, extended, and liquidated during recent years; the average size of second mortgage loans and the number of second mortgage loans outstanding at reporting companies. Additional data show the maximum ratio of loan to appraised value or equity that various companies are willing to make and the range of annual percentage rates charged, maximum maturities allowed on second mortgage loans, ranges of maturities on second mortgage loans, the level of charge offs on second mortgage loans, recoveries, and allowances for loan losses.

2. The NSMA-CRC Survey

The second source of data on second mortgage lending has been compiled by the Credit Research Center, Purdue University for the National Second Mortgage Association (NSMA). Members of the National Second Mortgage Association have provided information on their second mortgage lending to the Credit Research Center so that their reports will remain confidential. The Credit Research Center has then compiled summaries of the reports for the NSMA. In addition, in 1980 the Credit Research Center produced a working paper that documented second mortgage lending by NSMA members in the 1978 fiscal year. The Credit Research Center updates these surveys as more information becomes available.

The NSMA/CRC surveys differ from the NCFA data in several respects. First, they do not cover only finance companies. Although most of the respondents are finance companies, a number of mortgage banking organizations,

commercial banks and thrift institutions, and, even, insurance companies report in the NSMA survey. Second, one cannot determine from the NSMA survey what percentage of the industry is covered by the survey. Industry-wide statistics are not available for second mortgage lenders other than finance companies. Third, the NSMA survey includes more questions relating to the operating practices and performance of second mortgage lenders than the NCFA survey.

The NSMA survey contains information on the proportion of second mortgages that are refinanced, the number and dollar volume of second mortgages purchased, and the number and dollar volume of second mortgages sold. Data are provided on the average amount of second mortgage loans outstanding, average borrowings, average stockholders' equity, gross interest income, income fees and other sources, interest expense, charge-offs, recoveries, delinquencies, and delinquency policies. Also reported are year-to-year changes in second mortgage extensions, balances, outstanding purchases, sales, and refinancings.

Forty-five companies responded to the NSMA survey in 1979, and approximately 60 companies supplied data in 1980. The information provided can be used to obtain valuable details on loan policies of second mortgage lenders--since data are collected on loan maturities, loan equity requirements, and business vs. non-business use of loan proceeds--in addition to the items specified above.

Finally, a number of interesting ratios can be calculated from the second mortgage data--including profitability ratios, borrowing cost ratios, interest revenue ratios, and ratios of non-interest revenues to total revenues. Also, detailed delinquency statistics allow one to analyze the relationship between total delinquencies and the average size of delinquencies

Overall, while only a limited number of (mostly large) companies respond to the NSMA survey, they provide information that gives highly useful insights into the functioning of the second mortgage credit markets.

E. Other Mortgage Data

This review has primarily focused on sources of consumer credit data. However, certain mortgage credit statistics are often of interest to consumer credit analysts. For instance, movements in mortgage delinquency rates may be correlated with movements in consumer credit delinquency rates. Also, mortgage indebtedness and consumer indebtedness are both part of consumers' total debt portfolio and, as a result, it often is useful to analyze both simultaneously. Finally, since money is fungible, mortgage credit can be used interchangeably with consumer credit for some purposes. Thus, in this section, a few of the major sources of mortgage credit information are briefly cited.

The Mortgage Bankers Association publishes data on mortgage delinquency rates for conventional loans, VA loans and FHA loans on a monthly basis. The data include information on the age of mortgage delinquencies as well as on the percentage of mortgage foreclosures that were initiated in the reporting period. The data are applied to the U.S. in total as well as to individual states and regions of the country.

Additionally, monthly data on the mortgage credit markets are published by the Federal Home Loan Bank Board (FHLBB) which issues a number of publications on a monthly basis. The most comprehensive source is its Federal Home Loan Bank Board Journal which contains monthly data on S&Ls savings deposits, savings flows, deposit rates, loan holdings,

and loan originations. In addition, it provides data on mortgage loan sizes, maturities, rates, non-rate fees, and loan-to-price ratios; costs of funds for savings and loans; activities of government agencies that participate in the secondary mortgage markets; mortgage foreclosures; and housing starts, inventories, and rental vacancy rates. Many of the FHLBB statistics are obtained from other government agencies--such as the Department of Commerce, Bureau of the Census, Veteran's Administration, Federal National Mortgage Association, Federal Housing Administration, Government National Mortgage Association, and HUD.

Finally, the Federal Reserve Board of Governors, Division of Research and Statistics, Mortgage and Consumer Finance Section, combines data from a number of sources for publication monthly in the Federal Reserve Bulletin. Many other sources of pertinent mortgage credit data are also available, but the data provided by the Federal Home Loan Bank and the Federal Reserve Board in their respective publications should provide good insights into the nature of data available in that field. Interested parties will wish to pursue the sources of data printed by those agencies more closely.

F. Retail Credit Studies

In contrast to ongoing retail credit data series, which are very limited, a number of special studies have been conducted on retail credit. These include cost studies, customer studies, and various related studies. Many of the studies are proprietory in nature; thus, their availability is subject to some question.

1. The Touche Ross Studies

A number of studies of retail revolving credit costs have been conducted, for the most part, by the accounting firm of Touche Ross and Company. The earlier studies were conducted for the National Retail Merchants Association. The first study was prepared October 11, 1963 for the National Retail Merchants Assocation by Touche, Ross, Bailey and Smart. It was titled, "Study of Consumer Credit Costs in Department Stores." The purposes of the study were (1) to provide information concerning the costs of credit services provided by department stores and (2) to analyze the relationship between credit costs and the service charges that consumers pay for credit services. Eleven retailers participated in the study. All but one provided data for the fiscal year ending January 1962. One furnished data for the fiscal year ending January 1963. The study compiled detailed information on credit sales, credit service charge revenues, credit costs, as well as detailed breakdowns of new account costs, account servicing costs, collection costs, interest, credit space and equipment costs, salespersons costs of handling credit, and management costs. For instance, new account costs included applicable salaries, promotion costs, credit investigation fees, supplies, and other expenses. The study also developed separate cost information for revolving credit accounts, regular 30-day charge accounts, and conventional instalment credit accounts.

A second Touche Ross study, titled "Economic Characteristics of Department Store Credit," was published in 1969 by the National Retail Merchants Association. Of the 15 stores sampled, ten were large and five were small. Every major region of the country was represented in the sample. Cost breakdowns were similar to those provided before--

with distinctions made between 30-day charge credit, revolving credit, and instalment credit. Similar subcategories of costs were calculated for each form of credit.

In 1970 Touche Ross and Company conducted a study of revolving credit costs of 15 retailers in the state of California. This report focused on the costs of providing credit services and compared those costs to revenues obtained from providing those services. Cost details were similar to those previously used, except "data processing costs" were added as a new cost category, and collection costs were broken down in great detail. Detailed data on collection costs included credit investigation costs, bad debt losses, and collection agency fees.

In 1970, Touche Ross and Company also conducted for the Arizona Retailers Association a cost analysis of revolving credit offered by eight retailers in the state of Arizona. Both the California and Arizona reports were published December 1, 1971 by Touche Ross and Company.

Finally, Touche Ross and Company published: "Economics of New York State Retail Store Revolving Credit Operations for the Fiscal Year Ended January 31, 1973" (September 7, 1973). This report was prepared for the Cost of Credit Subcommittee of the New York State Council of Retail Merchants. It compiled data from 17 New York retail stores, which accounted for well over 50 percent of New York retail revolving credit sales.

The New York report provided a cost analysis of revolving credit similar to those prepared earlier in other states. It also developed an analysis of the portion of revolving credit account holders who utilized

the revolving credit feature. Finally, it provided a simulation study to assess the effect on retail store finance charge revenues of alternative levels of finance charges and methods of assessment.

Results and analysis of the Touche Ross New York studies were published in 1975 in Retail Store Credit Card Use in New York, by Robert P. Shay and William C. Dunkelberg in cooperation with Touche Ross and Company, by the Graduate School of Business, Columbia University in its Studies in Consumer Credit Series, Number 4. That report went far beyond the Touche Ross study, however. Shay and Dunkelberg also surveyed the credit use patterns of the retail credit consumers who frequented stores in the study and attempted to identify the profitable and unprofitable users of retail credit accounts. Further, they tried to analyze the effects on the availability of credit of changes in credit standards by identifying the consumers who contributed the most (or least) to the profits of retailers. In addition, they tried to identify those consumers that would be deprived of credit if retail credit standards were raised to reduce loan losses and risks. The Shay-Dunkelberg study also analyzed consumers' knowledge of credit rates and terms, and their holdings and usage of other forms of credit cards. Finally, it examined consumer complaints about billing errors and the resolution of such errors.

2. Consumer-Oriented Studies

The New York retail credit card use study is but one of a number of studies that have been condcuted on consumers' use of retail credit cards. Many such studies have been conducted, most commonly by William C. Dunkelberg of Purdue's Credit Research Center. These studies include the following.

a. New York Retail Credit Card Study

In conjunction with the Touche Ross study of New York retail credit costs in 1973, Shay and Dunkelberg conducted a direct mail survey of 1665 credit card users in New York. The users held accounts distributed approximately equally among the 17 retailers in the study. Nine hundred and fifty-one responses were obtained through the credit user survey. For 797 of the respondents matching 12-month account histories were obtained from the retailers where they maintained accounts. Information was obtained on the number and kinds of credit cards that each consumer held, their demographic and financial status, their estimate of the annual percentage rate that they paid on their credit card debt, their previous experience with billing errors,and their attitudes toward credit billing practices. An analysis of these data is contained in the Shay and Dunkelberg study cited above. The data themselves are on a tape filed at the Credit Research Center at Purdue University. The tape file is called NYDATA.

b. California Retail Credit Study

This study was conducted by William C. Dunkelberg in 1971. It is similar in many respects to the New York credit study. Information on the study was obtained from 393 responses to a mailing of 561 questionnaires to retail credit account customers in California. Three hundred seventy-six of the responses were matched with 12-month retail credit account histories of the respondents.

Data provided by respondents included information on the number and kinds of credit cards owned, as well as information on credit card use. Also included was information on the respondent's financial

status and demographic characteristics, consumer estimates of the annual percentage rate (APR) that they paid on their credit card debt, and their previous experience with various billing procedures or problems. The data are filed on a magnetic tape called CALDAT at the Credit Research Center, Purdue University.

In addition to the survey of retail customers, Dunkelberg also conducted a survey of problem account customers at a major general merchandise retailer located in California. Only delinquent accounts were sampled. One out of five accounts were sampled and, in total, information was obtained on 427 accounts for the 1971-72 period. Information collected on each account includes information on the account holders' demographic and financial status. For each account, a record was kept of each attempt to collect on the account, and the disposition or current status of the account.

c. Credit Card Use in Washington

This mail survey of a representative sample of households in Washington was conducted by R.H. Donnelly and Company in 1974 and analyzed by William C. Dunkelberg. Questionnaires were sent to a sample of 1,064 consumers, of which 710 responded. In each questionnaire, consumers were asked to provide information on the number and kinds of their credit card accounts, their account usage, their estimates of APRs on various credit card charges, their financial and demographic status, and their previous billing experiences and attitudes. This analysis dovetails well with the previously cited studies in California and New York on credit card use. However, the sample was drawn from the general population rather than from the account books of retailers per se.

3. Retail Credit Account Utilization Studies

In addition to studies of credit card account costs and credit card account customers, a number of studies have been conducted of retail credit card use patterns. These studies have been conducted by Ed DeSpain and Ray McAlister on a number of different occasions. Results of a number of these studies have been published by the Credit Research Center, Purdue University. These publications include Working Paper no. 21, titled Bank and Retail Credit Card Yields Under Alternative Assessment Methods, published in 1978; the Effect of Alternative Billing Methods Upon Retail Revolving Credit Yields, which was published in 1976 as Working Paper No. 4; and An Empirical Analysis of Retail Revolving Credit, which was published in 1975 as Monograph No. 1 of the Credit Research Center.

The McAlister and DeSpain studies primarily analyze the patterns of repayment of retail credit customers and simulate the extent to which finance charges and other fees would vary if changes were made in billing practices by creditors. The simulations are based on account histories in the following states: New York, Arkansas, Texas, Florida, and Michigan. In addition, McAlister and DeSpain have analyzed consumer repayment practices on bankcards in Arkansas, California, and Pennsylvania. Although the simulations are based on the assumption that consumers will not alter their payment patterns if different rates were charged or different billing practices were actually employed, the McAlister and Sartain data likely provide good estimates of the probable effect of changes in billing practices on consumer finance charges actually paid. In addition, they may provide insights into payment patterns of customers

served by banks and retailers with one form of billing practice rather than another. Because the data are proprietory in nature, they may not be readily available. Inquiries can be made to Professor E. Ray McAlister, North Texas State University, Denton, Texas.

G. Bankcard Data

It was previously noted that the Visa and Interbank Card Association compile data on bankcard activities at their member institutions. These data are published in quarterly reports and selected subsets of this information are published in the ABA Bankcard Letter. Additional information on bankcard use is contained in some of the McAlister and DeSpain studies on revolving credit use. Further, the Western States Bankcard Association undertook a major study of bankcard use in the states of California and Washington during 1976.

The Western States Bankcard Study obtained data from 1973 through 1976. Information was processed by the Management Analysis Center at Palo Alto, California. Several individuals at the Credit Research Center, most notably W.C. Dunkelberg and R.W. Johnson, have analyzed the data. There were several parts to this study. First, an analysis was conducted of credit card revenues and costs for ten California banks and five Washington banks. In addition, 1,323 accounts at the participating banks were randomly selected. Owners of those accounts were sent a questionnaire asking about their personal characteristics, attitudes, and credit card usage. Seven-hundred and forty-eight responses were received, for which 660 could be matched with their 12-month account histories. These data allow customer account usage patterns to be

correlated with their personal characteristics. Where available, original application data were captured so changes in personal characteristics could also be correlated with behavior.

The Western States Bankcard study also sampled problem accounts at ten participating banks. Of 295 accounts sampled, 119 returned questionnaires, and 231 had account histories. Overall, 12-month account usage data were obtained on 1,323 accounts. This allowed studies to be made of account usage in general--as a base against which account usage either by problem accounts or by people with certain characteristics could be measured.

Finally, 13 banks were asked to evaluate 500 credit applications. This allowed differences in credit standards between Washington banks and California banks to be assessed.

Data collected for the Western States Bankcard study are available on tapes at the Credit Research Center, Purdue University, West Lafayette Indiana, 47907. Proprietory considerations may limit the release of some data, however.

VI. Concluding Remarks

This report has tried to provide an overview of major data sources available on consumer financial behavior. It has tried to include sufficient information that parties interested in obtaining data from any of these data sources can roughly assess the suitability of the data for their needs and determine whom they should contact for further information. While it has tried to be as comprehensive as possible, there undoubtedly were some data sources omitted. Many omitted sources are proprietory or confidential in nature, so the data are not generally

available (a problem that also pertains to some of the survey data in this report). Others may have been omitted inadvertently, as this is an area in which new data sources seem to constantly arise and, even more frequently, old data sources are discontinued or altered. Nonetheless, with the clues provided in this report, readers should be able to obtain good insights into the major sources and nature of available data on consumer financial behavior.

EXHIBIT 1

FEDERAL RESERVE statistical release

G.19 (421)

FOR IMMEDIATE RELEASE
NOVEMBER 7, 1980

CONSUMER INSTALLMENT CREDIT - SEPTEMBER 1980

CONSUMER INSTALLMENT CREDIT EXPANDED BY $1.45 BILLION IN SEPTEMBER, SEASONALLY ADJUSTED, EQUIVALENT TO A 5.8 PERCENT ANNUAL RATE OF GROWTH. ASIDE FROM THE NEGLIGIBLE INCREASE IN AUGUST, THE SEPTEMBER ADVANCE WAS THE FIRST SINCE A $1.43 BILLION GAIN IN MARCH. ALL CREDIT TYPES AND ALL CREDITOR GROUPS SHARED IN THE SEPTEMBER INCREASE. FOR THE THIRD QUARTER AS A WHOLE, INSTALLMENT CREDIT EXPANDED AT A 1 PERCENT ANNUAL RATE, IN CONTRAST TO THE 11-1/2 PERCENT RATE OF DECLINE IN THE SECOND QUARTER.

EXTENSIONS OF INSTALLMENT CREDIT INCREASED SHARPLY IN SEPTEMBER, TOTALLING $27.31 BILLION, SEASONALLY ADJUSTED, UP FROM $25.60 BILLION IN AUGUST AND $20.70 BILLION AT THE JUNE LOW. HOWEVER, THE SEPTEMBER VOLUME WAS BELOW THE PREVIOUS PEAK OF $28.63 BILLION IN SEPTEMBER 1979. LIQUIDATIONS ROSE MODERATELY TO A NEW HIGH OF $25.86 BILLION IN SEPTEMBER FROM $25.59 BILLION IN AUGUST.

(IN MILLIONS OF DOLLARS)

INSTALLMENT CREDIT	SEP. 1980 (SEASONALLY ADJ.)	AUG. 1980 (SEASONALLY ADJ.)	SEP. 1980 (NOT SEAS.ADJ.)	SEP. 1979 (NOT SEAS.ADJ.)	LATEST 12 MONTHS (NOT SEAS.ADJ.)	
AMOUNT EXTENDED:	27,308	25,601	27,302	26,987	300,800	
AUTOMOBILE	7,718	6,964	7,621	7,648	80,671	
REVOLVING (1)	10,897	10,652	11,120	10,450	125,746	
MOBILE HOME	485	387	504	548	5,612	
OTHER	8,208	7,598	8,057	8,341	98,771	
AMOUNT LIQUIDATED	25,858	25,586	25,858	22,898	299,991	
NET CHANGE IN AMOUNT OUTSTANDING:	1,450	15	1,444	4,089	809	(3)
AUTOMOBILE	443	174	273	1,414	(4)	
REVOLVING (1)	346	142	525	1,152	(4)	
MOBILE HOME	50	-8	68	133	(4)	
OTHER	611	-293	578	1,390	(4)	
AMOUNT OUTSTANDING, END OF MONTH	(2)	(2)	304,707	303,902	(2)	

INSTALLMENT CREDIT FLOWS, QUARTERLY AVERAGES
(SEASONALLY ADJUSTED ANNUAL RATES)

TOTAL INSTALLMENT CREDIT	(MILLIONS OF DOLLARS) 1980III	1980II	1980I	1979IV	1979III	AS PERCENT OF DISPOSABLE PERSONAL INCOME 1980III	1980II	1980I	1979IV	1979III
EXTENSIONS	309,624	257,940	321,592	319,320	332,260	17.1	14.7	18.5	19.0	20.3
LIQUIDATIONS	306,200	293,468	301,176	295,552	294,920	16.9	16.7	17.3	17.6	18.0
NET CHANGE	3,424	-35,528	20,416	23,768	37,340	.2	-2.0	1.2	1.4	2.3

NOTE: THE BOARD'S SERIES COVERS MOST SHORT- AND INTERMEDIATE-TERM CREDIT EXTENDED TO INDIVIDUALS THROUGH REGULAR BUSINESS CHANNELS, USUALLY TO FINANCE THE PURCHASE OF CONSUMER GOODS AND SERVICES OR TO REFINANCE DEBTS INCURRED FOR SUCH PURPOSES, AND SCHEDULED TO BE REPAID (OR WITH THE OPTION OF REPAYMENT) IN TWO OR MORE INSTALLMENTS. DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.

(1) CREDIT CARDS AT RETAILERS, GASOLINE COMPANIES AND COMMERCIAL BANKS, AND CHECK CREDIT AT COMMERCIAL BANKS.

(2) NOT APPLICABLE OR NOT AVAILABLE.

(3) A VALUE FOR THE UNADJUSTED NET CHANGE IN OUTSTANDINGS APPEARS ALSO ON THE NEXT TO LAST COLUMN ON THE NEXT PAGE, BUT MAY VARY SLIGHTLY, DUE TO DIFFERENT AGGREGATION METHODS.

(4) FOR VALUES SEE THE NEXT TO LAST COLUMN ON THE NEXT PAGE UNDER THE HEADING "CHANGE FROM END OF SEPTEMBER 1979 AMOUNT N.S.A."

CONSUMER INSTALLMENT CREDIT BY HOLDER AND TYPE - SEP. 1980

(IN MILLIONS OF DOLLARS)

INSTALLMENT CREDIT BY HOLDER AND TYPE	EXTENDED				LIQUIDATED				NET CHG	OUTSTANDING		
	SEP. 1980 S.A.	AUG. 1980 S.A.	SEP. 1979 S.A.	SEP. 1980 N.S.A.	SEP. 1980 S.A.	AUG. 1980 S.A.	SEP. 1979 S.A.	SEP. 1980 N.S.A.	SEP. 1980 S.A. (1)	END OF SEP. 1980 N.S.A.	CHANGE FROM END OF SEP. 1979 AMOUNT N.S.A.	CHANGE FROM END OF SEP. 1979 PERCENT
TOTAL	27,308	25,601	28,634	27,302	25,858	25,586	24,188	25,858	1450	304,707	805	.3
BY MAJOR HOLDER												
COMMERCIAL BANKS	11,905	10,893	13,172	12,040	11,737	11,326	11,651	11,793	168	141,037	-7,620	-5.1
FINANCE COMPANIES	5,359	5,204	5,489	5,020	4,731	4,709	3,716	4,630	628	74,823	10,001	15.4
CREDIT UNIONS	2,733	2,354	3,363	2,967	2,721	2,657	2,952	2,752	12	43,562	-5,652	-11.5
RETAILERS (2)	4,422	4,375	4,082	4,181	3,998	4,263	3,639	3,874	424	26,372	1,926	7.9
SAVINGS AND LOANS	726	605	678	701	544	529	471	543	182	11,548	1,576	15.8
GASOLINE COMPANIES	2,033	2,078	1,734	2,246	2,003	1,977	1,607	2,143	30	5,205	961	22.6
MUTUAL SAVINGS BANKS	130	92	116	147	124	125	152	123	6	2,160	-387	-15.2
BY MAJOR CREDIT TYPE												
AUTOMOBILE	7,718	6,964	8,430	7,623	7,275	6,790	6,607	7,348	443	114,334	-431	-.4
COMMERCIAL BANKS	3,928	3,499	4,544	3,863	3,905	3,762	3,782	3,946	23	60,287	-5,526	-8.4
INDIRECT PAPER	2,124	1,895	2,569	2,116	2,112	2,082	2,027	2,134	12	34,612	-2,655	-7.1
DIRECT LOANS	1,804	1,604	1,975	1,747	1,793	1,680	1,755	1,812	11	25,675	-2,871	-10.1
CREDIT UNIONS	1,444	1,224	1,655	1,558	1,447	1,376	1,437	1,455	-3	20,831	-2,703	-11.5
FINANCE COMPANIES	2,346	2,241	2,231	2,200	1,923	1,652	1,388	1,947	423	33,216	7,798	30.7
REVOLVING	10,897	10,652	10,699	11,120	10,551	10,510	9,642	10,595	346	52,651	2,229	4.4
COMMERCIAL BANKS	5,005	4,785	5,398	5,196	5,071	4,815	4,852	5,058	-66	27,252	-194	-.7
RETAILERS	3,859	3,789	3,567	3,678	3,477	3,718	3,183	3,394	382	20,194	1,462	7.8
GASOLINE COMPANIES	2,033	2,078	1,734	2,246	2,003	1,977	1,607	2,143	30	5,205	961	22.6
MOBILE HOME	465	387	531	504	435	395	442	436	50	17,928	823	4.8
COMMERCIAL BANKS	230	202	294	239	259	254	284	262	-29	9,945	5	.1
FINANCE COMPANIES	84	59	69	89	56	41	52	54	28	3,601	343	10.5
SAVINGS AND LOANS	158	117	148	161	107	88	91	107	51	3,919	535	15.8
CREDIT UNIONS	13	9	20	15	13	12	15	13		463	-60	-11.5
OTHER	8,208	7,598	8,974	8,057	7,597	7,891	7,497	7,479	611	119,794	-1,816	-1.5
COMMERCIAL BANKS	2,742	2,407	2,936	2,742	2,502	2,495	2,733	2,527	240	43,553	-1,905	-4.2
FINANCE COMPANIES	2,929	2,904	3,189	2,731	2,752	3,016	2,276	2,629	177	38,006	1,860	5.1
CREDIT UNIONS	1,276	1,121	1,688	1,394	1,261	1,269	1,500	1,284	15	22,268	-2,889	-11.5
RETAILERS	563	586	515	503	521	545	456	480	42	6,178	464	8.1
SAVINGS AND LOANS	568	488	530	540	437	441	380	436	131	7,629	1,041	15.8
MUTUAL SAVINGS BANKS	130	92	116	147	124	125	152	123	6	2,160	-387	-15.2

(1) NET CHANGES FOR ALL MONTHS EQUAL EXTENSIONS MINUS LIQUIDATIONS (REPAYMENTS, CHARGEOFFS, AND OTHER CREDITS).
(2) INCLUDES AUTO DEALERS AND EXCLUDES 30-DAY CHARGE CREDIT HELD BY RETAILERS AND BY TRAVEL AND ENTERTAINMENT COMPANIES.

NOTE: S.A. AND N.S.A. DENOTE SEASONALLY ADJUSTED AND NOT SEASONALLY ADJUSTED DATA, RESPECTIVELY.
DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.

FEDERAL RESERVE statistical release

G.20 (422) Finance Companies - February 1980 April 1980

Outstanding Consumer Credit Held by Finance Companies
(In millions of dollars)

Type of credit	February 29, 1980	Seasonally adjusted increase or decrease (-) during:		
		1979	1980	
		December	January	February
Consumer instalment credit	66,919	1,061	1,295	1,279
Retail automotive (passenger cars)	25,567	698	1,042	980
Mobile homes	3,462	73	53	30
Other retail consumer goods	7,202	83	-20	-29
Home improvement loans				
Personal loans	30,688	207	220	298

Consumer Credit Extended and Repaid at Finance Companies
(Seasonally adjusted, in millions of dollars)

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	1979	1980		1979	1980	
	Dec.	Jan.	Feb.	Dec.	Jan.	Feb.
Consumer instalment credit	5,061	5,500	5,670	4,000	4,205	4,391
Retail automotive (passenger cars)	1,941	2,240	2,224	1,243	1,198	1,244
Mobile homes	85	91	82	12	38	52
Other retail consumer goods	644	562	680	561	582	709
Home improvement loans						
Personal loans	2,391	2,607	2,684	2,184	2,387	2,386

Note: Components may not add to totals due to rounding.

Outstanding Business Credit Held by Finance Companies
(In millions of dollars)

Type of credit	February 29, 1980	Seasonally adjusted increase or decrease (-) during:		
		1979	1980	
		December	January	February
Business credit	70,300	-561	-473	302
Retail automotive (commercial vehicles	15,030	-83	-55	24
Wholesale automotive	13,141	-763	-849	-315
Retail paper on business, industrial and farm equipment	19,238	264	555	419
Loans on commercial accounts receivable	7,299	285	180	111
Factored commercial accounts receivable				
All other business credit	15,592	-264	-304	63

Business Credit Extended and Repaid at Finance Companies
(Seasonally adjusted, in millions of dollars)

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	1979	1980		1979	1980	
	Dec.	Jan.	Feb.	Dec.	Jan.	Feb.
Business credit	16,443	16,918	17,843	17,004	17,391	17,541
Retail automotive (commercial vehicles)	1,096	1,127	1,172	1,179	1,182	1,148
Wholesale automotive	5,028	5,094	5,339	5,791	5,943	5,654
Retail paper on business, industrial and farm equipment	1,398	1,468	1,529	1,134	913	1,110
Loans on commercial accounts receivable	6,806	7,085	7,782	6,521	6,905	7,671
Factored commercial accounts receivable						
All other business credit	2,115	2,144	2,021	2,379	2,448	1,958

EXHIBIT 2--continued

G.20

Change in Extensions and Repayments
(Seasonally adjusted, in millions of dollars)

Type of credit	Change in extensions from:		Change in repayments from:	
	Month ago	Year ago	Month ago	Year ago
Consumer instalment credit	170	970	186	743
Retail automotive (passenger car)	-16	682	46	280
Mobile homes	-9	20	14	-2
Other retail consumer goods	118	-80	127	-1
Home improvement loans				
Personal loans	77	348	-1	466
Business credit	925	985	150	1,439
Retail automotive (commercial vehicles)	45	-111	-34	48
Wholesale automotive	245	-1,741	-289	-771
Retail paper on business, industrial and farm equipment	61	406	197	-97
Loans on commercial accounts receivable	697	2,407	766	2,188
Factored commercial accounts receivable				
All other business credit	-123	24	-490	71

Number of Motor Vehicles Financed at Retail by Finance Companies
(In thousands)

Type of vehicle	February 29, 1980	Change from:	
		Month ago	Year ago
Total financed at retail	N O T A V A I L A B L E		
New passenger			
Used passenger			
New and used commercial			

Selected Liabilities of Finance Companies
(In millions of dollars)

Type of liability	February 29, 1980	Seasonally adjusted increase or decrease (-) during:		
		December	January	February
Bank loans (excl. commercial paper)	7,962	-2,241	-853	860
Commercial paper	42,430	2,765	-3,423	1,801
Directly placed	n.a.	n.a.	n.a.	n.a.
Dealer placed	n.a.	n.a.	n.a.	n.a.

n.a. - not available

FEDERAL RESERVE statistical release

E.4(114)

FOR IMMEDIATE RELEASE
OCTOBER 14, 1980

AUTOMOBILE CREDIT - AUGUST 1980

NEW-CAR INSTALLMENT LOAN MATURITIES AT COMMERCIAL BANKS
(PUBLISHED MID-MONTH OF EACH QUARTER)

PERCENT OF CONTRACTS MADE DURING MONTH WITH MATURITIES OF:	PURCHASED PAPER			DIRECT LOANS			TOTAL LOANS		
	1979 AUG.	1980 MAY	1980 AUG.	1979 AUG.	1980 MAY	1980 AUG.	1979 AUG.	1980 MAY	1980 AUG.
30 MONTHS OR LESS	8.5	13.0	9.7	16.2	20.4	15.1	11.3	14.8	11.5
31-36 MONTHS	19.8	23.8	19.2	38.2	41.4	33.9	25.6	31.1	25.1
OVER 36 MONTHS	71.7	63.2	71.2	45.6	38.2	51.0	63.1	54.1	63.5

AUTOMOBILE CREDIT AT FINANCE COMPANIES - AUGUST 1980

CREDIT EXTENDED	NEW CARS						USED CARS					
	SEASONALLY ADJUSTED			NOT SEASONALLY ADJUSTED			SEASONALLY ADJUSTED			NOT SEASONALLY ADJUSTED		
	1979 AUG.	1980 MAY	1980 AUG.	1979 AUG.	1980 MAY	1980 AUG.	1979 AUG.	1980 MAY	1980 AUG.	1979 AUG.	1980 MAY	1980 AUG.
AVERAGE AMOUNT FINANCED ($)	6,200	6,191	6,353	6,175	6,172	6,328	3,570	3,651	3,860	3,506	3,684	3,791
AVERAGE FINANCE RATE (%)	13.42	15.36	14.76	13.39	15.24	14.73	17.82	19.56	19.23	17.91	19.42	19.33
AVERAGE MATURITY (MONTHS)	44.5	44.3	44.9	44.6	44.4	45.0	34.4	34.3	34.9	34.3	34.7	34.8
PERCENTAGE WITH MATURITIES:												
OVER 42 MONTHS	61.4	64.8	70.5	63.0	66.6	72.3						
37-42 MONTHS	9.9	7.7	6.6	10.2	7.4	6.8						
OVER 36 MONTHS							41.1	44.4	49.5	39.8	47.4	49.6
31-36 MONTHS	19.6	18.5	14.7	20.2	18.3	15.1	44.0	37.9	37.0	44.1	37.4	36.0
30 MONTHS OR LESS	8.9	8.4	7.7	6.7	7.7	5.8						
25-30 MONTHS							8.4	7.2	6.1	8.8	6.5	6.6
24 MONTHS OR LESS							6.9	9.9	7.3	7.2	8.6	7.9
AVERAGE LOAN-TO-VALUE RATIO (%)	88.7	86.0	87.7	89.0	86.0	88.0	94.5	93.0	94.5	95.0	93.0	95.0
PERCENTAGE WITH L/V RATIOS:												
OVER 110%	4.4	2.7	4.0	3.9	2.7	3.5	10.6	7.9	11.7	9.9	8.3	11.0
101-110%	20.5	17.7	20.8	20.5	17.4	20.8	25.3	21.5	25.5	25.2	22.1	25.7
91-100%	36.6	35.0	35.2	37.0	34.6	35.6	33.9	33.2	32.8	33.3	33.6	32.9
90% OR LESS	38.5	44.5	40.1	38.6	45.4	40.2	31.4	37.4	30.6	31.6	36.1	30.5

NOTE: FINANCE RATES ARE ANNUAL PERCENTAGE RATES AS SPECIFIED BY REGULATION Z (TRUTH-IN-LENDING). AVERAGE AMOUNT FINANCED EXCLUDES PRECOMPUTED FINANCE CHARGES. DATA ON AVERAGE MATURITY AND LOAN-TO-VALUE RATIO COME FROM DIFFERENT REPORT FORMS THAN THE MATURITY AND LOAN-TO-VALUE DISTRIBUTIONS. FOR USED-CAR LOANS, THE AVERAGE STATISTICS COVER ALL USED-CAR LOANS AND THE PERCENTAGE DISTRIBUTIONS APPLY ONLY TO CARS LESS THAN THREE YEARS OLD.

EXHIBIT 3

FEDERAL RESERVE statistical release

E.10 (120)

FOR IMMEDIATE RELEASE
OCTOBER 24 , 1980

FINANCE RATES AND OTHER TERMS ON SELECTED TYPES OF CONSUMER INSTALLMENT CREDIT EXTENDED BY MAJOR FINANCE COMPANIES
(NOT SEASONALLY ADJUSTED)

PERIOD	PERSONAL LOANS			MOBILE HOME CREDIT			"OTHER CONSUMER GOODS" 1/ CREDIT		
	AVERAGE FINANCE RATE (PER CENT)	AVERAGE AMOUNT FINANCED (DOLLARS)	AVERAGE MATURITY (MONTHS)	AVERAGE FINANCE RATE (PER CENT)	AVERAGE AMOUNT FINANCED (DOLLARS)	AVERAGE MATURITY (MONTHS)	AVERAGE FINANCE RATE (PER CENT)	AVERAGE AMOUNT FINANCED (DOLLARS)	AVERAGE MATURITY (MONTHS)
1978									
NOVEMBER	20.86	1,487	44.8	13.37	9,896	132.5	18.62	590	25.3
1979									
FEBRUARY	20.71	1,598	45.2	13.46	10,924	132.3	19.80	561	24.9
MAY	20.27	1,726	50.4	13.61	10,977	131.9	18.91	646	26.6
AUGUST	20.41	1,711	50.9	13.64	12,039	133.8	18.96	635	25.2
NOVEMBER	20.58	1,701	55.4	13.83	12,527	135.4	18.63	559	24.7
1980									
FEBRUARY	20.55	1,816	58.4	14.05	12,479	133.4	19.65	589	24.1
MAY	21.16	2,040	66.1	15.94	12,811	135.7	20.90	660	24.5
AUGUST	21.32	1,912	63.1	15.91	12,398	129.6	20.94	568	24.6

1/ EXCLUDES AUTOMOBILES, RECREATIONAL VEHICLES, AND MOBILE HOMES.

NOTE: THE DATA SHOWN IN THIS TABLE ARE COMPILED FROM A QUARTERLY SURVEY CONDUCTED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM. FOR MOBILE HOMES AND "OTHER CONSUMER GOODS," THE DATA COVER CONTRACTS PURCHASED BY FINANCE COMPANIES, PRIMARILY FROM RETAIL OUTLETS; FOR PERSONAL LOANS, THEY COVER SECURED AND UNSECURED LOANS MADE DIRECTLY BY FINANCE COMPANIES FOR HOUSEHOLD, FAMILY, OR OTHER PERSONAL EXPENDITURES. RATES ARE AVERAGE CUSTOMER FINANCE RATES REPORTED ON AN ANNUAL PERCENTAGE RATE BASIS AS SPECIFIED IN THE FEDERAL RESERVE BOARD'S REGULATION Z (TRUTH-IN-LENDING). AVERAGE AMOUNT FINANCED STATISTICS DO NOT INCLUDE PRECOMPUTED FINANCE CHARGES. AVERAGE RATE AND MATURITY DATA ARE PER DOLLAR FINANCED.

OTHER FEDERAL RESERVE STATISTICAL RELEASES WHICH REPORT FINANCE RATES ON CONSUMER LOANS ARE: E.12 (122) (COMMERCIAL BANKS) AND E.4 (114) (AUTOMOBILE FINANCE COMPANIES).

EXHIBIT 5

FEDERAL RESERVE statistical release

E.12 (122) (FORMERLY G.10)

FOR IMMEDIATE RELEASE
DECEMBER 1, 1980

FINANCE RATES ON SELECTED CONSUMER INSTALLMENT LOANS AT REPORTING COMMERCIAL BANKS (PERCENT)

DIRECT CONSUMER LOANS	NOVEMBER 1979	AUGUST 1980	NOVEMBER 1980
NEW AUTOMOBILES (36 MONTHS)	12.85	13.91	14.29
MOBILE HOMES (84 MONTHS)	13.51	14.95	15.49
OTHER CONSUMER GOODS AND PERSONAL EXPENDITURES:			
(24 MONTHS)	14.39	15.33	15.54
(12 MONTHS)	14.56	15.50	15.90
CREDIT CARD PLANS	16.93	17.39	17.41

NOTE: THE FINANCE RATES SHOWN IN THIS RELEASE ARE BASED ON A SURVEY CONDUCTED BY THE FEDERAL RESERVE SYSTEM, WITH 235 BANKS RESPONDING TO THE SURVEY IN NOVEMBER. BANKS REPORTING IN EACH CATEGORY NUMBERED: NEW AUTOMOBILES, 227; MOBILE HOMES, 67; OTHER CONSUMER GOODS AND PERSONAL EXPENDITURES (24 MONTHS), 217; OTHER CONSUMER GOODS AND PERSONAL EXPENDITURES (12 MONTHS), 223; CREDIT CARD PLANS, 165. ALL RATES SHOWN REPRESENT SIMPLE UNWEIGHTED AVERAGES OF EACH BANK'S "MOST COMMON" RATE CHARGED DURING THE FIRST FULL CALENDAR WEEK OF THE MONTH IN EACH LOAN CATEGORY. THE "MOST COMMON" RATE IS DEFINED AS THE RATE CHARGED ON THE LARGEST DOLLAR VOLUME OF LOANS IN THE PARTICULAR CATEGORY DURING THE SURVEY WEEK. RATES REPORTED ARE "ANNUAL PERCENTAGE RATES" AS SPECIFIED BY REGULATION Z (TRUTH IN LENDING).

OTHER FEDERAL RESERVE STATISTICAL RELEASES WHICH REPORT FINANCE RATES ON CONSUMER INSTALLMENT LOANS ARE: E.10 (120) FOR NON-AUTOMOBILE LOANS AT FINANCE COMPANIES, AND E.4 (114) FOR AUTOMOBILE FINANCE COMPANIES.